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Sup. Ct.

TRANSCRIPT OF RECORD

Supreme Court of the United States

OCTOBER TERM, 1946

No. 70

EDWARD KATZINGER COMPANY, PETITIONER,

vs.

CHICAGO METALLIC MFG. COMPANY

ON WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE SEVENTH CIRCUIT

PETITION FOR CERTIORARI FILED MARCH 26, 1946.

CERTIORARI GRANTED APRIL 29, 1946.

IN THE

Supreme Court of the United States

OCTOBER TERM, 1945.

No.

EDWARD KATZINGER COMPANY,

Petitioner,

vs.

CHICAGO METALLIC MANUFACTURING COMPANY,

Respondent.

ON WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE SEVENTH CIRCUIT.

TRANSCRIPT OF RECORD

IN THE

United States Circuit Court of Appeals

For the Seventh Circuit

No. 8320

CHICAGO METALLIC MANUFACTURING COMPANY,

Plaintiff-Appellant,

vs.

EDWARD KATZINGER COMPANY,

Defendant-Appellee.

U. S. C. C. A. - 7
FILED
JUL 9 - 1943
CLERK

Appeal from the District Court of the United States for the Northern District of Illinois, Eastern Division.

TRANSCRIPT OF RECORD FILED JUNE 1, 1943
PRINTED RECORD

IN THE

United States Circuit Court of Appeals
For the Seventh Circuit

No. 8320

CHICAGO METALLIC MANUFACTURING COMPANY,

Plaintiff-Appellant,

vs.

EDWARD KATZINGER COMPANY,

Defendant-Appellee.

Appeal from the District Court of the United States for the Northern District of Illinois, Eastern Division.

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1 Pleas in the District Court of the United States for the Northern District of Illinois, Eastern Division, begun and held at the United States Court Room, in the City of Chicago, in said District and Division, before the Honorable William J. Campbell, District Judge of the United States for the Northern District of Illinois on Twenty-fourth day of April, in the year of our Lord one thousand nine hundred and Forty-three, being one of the days of the regular April Term of said Court, begun Monday, the Fifth day of April, and of our Independence the 167th year. Placita

Present:

Honorable William J. Campbell, District Judge,
William H. McDonnell,
U. S. Marshal

Roy H. Johnson,
Clerk

2 IN THE DISTRICT COURT OF THE UNITED STATES
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

Chicago Metallic Manufacturing Company
vs.
Edward Katzinger Company
} No. 2647

Be It Remembered, that the above-entitled action was commenced by the filing of the following Petition in the above-entitled cause in the office of the Clerk of the District Court of the United States for the Northern District of Illinois, Eastern Division, on this the Twenty-first day of February, A. D. 1941.

Filed
. 21,
1941

3 IN THE DISTRICT COURT OF THE UNITED STATES
* * (Caption—2647) * *

PETITION FOR DECLARATORY DECREE

To the Honorable, the Judges of the
United States District Court
for the Northern District of Illinois,
Eastern Division

Petitioner, praying for the declaration sought herein, respectfully represents:

(1) Petitioner, Chicago Metallic Manufacturing Company, is a corporation organized and existing under the laws of the State of Illinois, with its principal office and place of business at the City of Chicago, in the State of Illinois, and is engaged in the manufacture and sale of tinware made up into various appliances, including baking pans.

(2) Respondent, Edward Katzinger Company, is a corporation organized and existing under the laws of the State of Illinois, with its principal office and place of business at the City of Chicago, in the State of Illinois, and is engaged in the manufacture and sale of tinware made up into various appliances, including baking pans.

4 (3) This action arises under the Federal Declaratory Judgment Act, Judicial Code, Sec. 274d, 28 U.S.C.A., Sec. 400.

(4) For many years Petitioner has produced and sold, continuously and widely, upon the market tinware made up into various appliances, such as baking pans, all free and clear of patent rights belonging to others, and is still engaged in so doing. In the recent past Petitioner has operated under a certain license agreement of October 1, 1937 with the Respondent, and has complied with all the terms and provisions thereof, including making to the Respondent all royalty payments due thereunder on account of the manufacture and sale of certain tinware known as Bakerex. Subsequently Petitioner discontinued the manufacture and sale of all such Bakerex tinware, and gave due notice that it elected to cancel the license agreement of October 1, 1937, all in accordance with the terms and provisions thereof. Petitioner has, since the discontinuance of its manufacture and sale of Bakerex tinware under the licensee agreement aforesaid, added to the tinware which it has long been manufacturing and selling another and different line known as Bake-King which it is now selling widely upon the market.

(5) The license agreement of October 1, 1937 sets forth certain patents, and applications for patents, all obtained in the name of one Joseph G. Jackson and now owned by the Respondent, under which the Petitioner was authorized to operate, including the following:

5

Patent	Date	Application No.
2,077,757	April 20, 1937	96,376
D-108,140	January 25, 1938	66,868
D-108,141	January 25, 1938	66,869
D-108,573	February 22, 1938	64,730

all relating generally to baking pans. From the beginning the Bake-King line of tinware, made and sold by Petitioner, has been free and clear of any and all of the Respondent's patents aforesaid, yet the Respondent has insisted and demanded that Petitioner pay royalties thereon, the same as though such Bake-King tinware were being made and sold under the license agreement aforesaid. An actual controversy therefore exists between Petitioner and Respondent with respect to the Letters Patents afore-

said, as to whether or not Petitioner's Bake-King tinware is responsive thereto and in any way an infringement thereof, and in particular whether or not there is any validity to the Jackson patent No. 2,077,757 such as to justify the payments of any royalties thereon.

(6) The jurisdiction of this United States District Court arises from the fact that the actual controversy which exists between Petitioner and Respondent arises under the patent laws of the United States and is solely a question of whether or not the Bake-King tinware made and sold and offered for sale by Petitioner infringes any or all of the Letters Patents aforesaid, and whether said Letters Patents are good and valid at law, questions which have been committed to the exclusive jurisdiction of the United States Courts.

6 (7) The jurisdiction of this Court of Equity arises from the fact that no action at law, and therefore no remedy at law, exists with respect to the controversy between Petitioner and Respondent, and that the declaratory decree of this Court can be given efficacy only by further relief in the form of an injunction which is available only in this Court of Equity.

(8) The Bake-King line of tinware, as to all the various appliances thereof made and sold by Petitioner, does not incorporate and embody any of the features which are disclosed and claimed in the Letters Patent aforesaid, and therefore does not infringe.

(9) Each of the Letters Patents aforesaid is void because in view of the state of the art at the time of the patentee's alleged invention and long prior thereto, the alleged invention claimed in said patent did not involve invention, but involved only the exercise of mere mechanical skill.

(10) The Jackson patent, No. 2,077,757, is void because substantially the alleged invention claimed in said patent was, long prior to the patentee's alleged invention thereof, and more than two years prior to the filing of the applicatiton for patent thereon, embodied in certain metal ware made and sold by various companies including Scovill Manufacturing Company, Waterbury, Connecticut, Apollo
7 Metal Works, Chicago, Illinois, and The American

Nickeloid Company, Peru, Illinois, of which facts various persons (as yet unknown to Petitioner) had knowledge, and by other companies as well concerning whom this Petitioner is not as yet fully informed.

(11) The Jackson patent, No. 2,077,757, is void because substantially the alleged invention claimed in said patent was, long prior to the patentee's alleged invention thereof, and more than two years prior to the filing of the application for patent thereon, set forth and disclosed in various printed publications and patents as follows:

Catalogues and Literature

Scovill Manufacturing Company, Waterbury, Connecticut
The American Nickeloid Company, Peru, Illinois
Apollo Metal Works, Chicago, Illinois

United States Letters Patents

No. D-16,612	April	13, 1886	Ledig;
No. 495,872	April	18, 1893	Ball;
No. 835,876	November	13, 1906	Andersen;
No. D-50,004	December	5, 1916	Wojidkow;
No. 1,625,243	April	19, 1927	Cortz

Wherefore Petitioner prays:

A. That this Honorable Court may enter a declaratory decree adjudging that the Jackson patent No. 2,077,757, is invalid as to each of its claims, and that the Petitioner's Bake-King tinware is not responsive to, nor an infringement of, any or all of the Respondent's Letters Patents aforesaid.

8

B. That Respondent may be decreed to pay the costs of this proceeding.

C. That Petitioner may have such further and other relief as to this Court of Equity may seem just.

Chicago Metallic Manufacturing Company
By Ephraim Banning
Its Attorney

Banning and Banning
Solicitors for Petitioner
February 21, 1941

9 And on, to wit, the 5th day of December, 1941, came the Defendant by its attorneys and filed in the Clerk's office of said Court its certain Answer in words and figures following, to wit:

Filed Dec. 5, 1941

10 IN THE DISTRICT COURT OF THE UNITED STATES
* * (Caption—2647) * *

ANSWER OF DEFENDANT EDWARD KATZINGER COMPANY

1.

Admits the allegations of Paragraph 1 of the complaint.

2.

Admits the allegations of Paragraph 2 of the complaint.

3.

Denies the allegations of Paragraph 3 of the complaint.

4.

Admits that for many years plaintiff has produced and sold upon the market tinware such as baking pans, and that the plaintiff is still producing and selling such tinware; but denies that such sale has been free and clear of patent rights belonging to others. Admits that plaintiff operated under a certain license agreement of October 1, 1937 with defendant, but denies that plaintiff has com-
11 plied with all of the terms and provisions thereof, and denies that plaintiff has paid to defendant all royalty payments due thereunder on account of the manufacture and sale of tinware known as Bakerex or otherwise. Denies that plaintiff has discontinued the manufacture and sale of tinware under said license, and denies that plaintiff elected to cancel the license agreement of October 1, 1937, but admits that plaintiff did give a purported notice of a purported election to cancel said agreement. Defendant further alleges that plaintiff has not terminated said license agreement, and denies that plaintiff has ever been in a position to elect to terminate said license agreement. Defendant admits that plaintiff is selling tinware under the name "Bake-King" line, and alleges that such tinware is within said license. Defendant denies the remaining allegations of Paragraph 4 of the complaint.

5.

The license agreement of October 1, 1937 is attached hereto as Exhibit "A". Defendant denies that the "Bake-King" line of tinware made and sold by plaintiff has at any time been free and clear of defendant's patents as set forth in said license of October 1, 1937, but, on the contrary, avers and alleges that plaintiff has continuously since October 1, 1937 made and sold baking devices within the patents listed in said license and that up to and including December 1, 1939 plaintiff paid royalties upon certain of its devices made under said license contract. Defendant further alleges that the license agreement of October 1, 1937 was amended on or about October 20, 1939 by reducing the royalties from 5% to 2.5%, said reduction in royalty to become effective from and after October 1, 1939. Defendant neither admits nor denies the remaining allegations of Paragraph 5 of the complaint because such allegations relate to matters of law.

12

6.

Neither admits nor denies the allegations of Paragraph 6 of the complaint because said allegations relate exclusively to legal conclusions.

7.

Neither admits nor denies the allegations of Paragraph 7 of the complaint because said allegations relate exclusively to legal conclusions.

8.

Denies the allegations of Paragraph 8 of the complaint.

9.

Denies the allegations of Paragraph 9 of the complaint.

10.

Denies the allegations of Paragraph 10 of the complaint, and moves that Paragraph 10 of the complaint be stricken for indefiniteness.

11.

Denies the allegations of Paragraph 11 of the complaint, and moves, as to the catalogs and literature listed therein, that Paragraph 11 of the complaint be stricken for indefiniteness in failing to specify the date of publication or any

other identifying characteristics of the alleged catalogs and literature.

COUNTERCLAIM

12.

Defendant is a corporation organized and existing under the laws of the State of Illinois. Plaintiff, Chicago
13 Metallic Manufacturing Company, is a corporation organized and existing under the laws of the State of Illinois. On or about October 1, 1937 plaintiff and defendant entered into a license agreement, copy of which is attached hereto as Exhibit "A" and made a part hereof.

13.

That said license Exhibit "A" has not been cancelled or terminated, and that the same remains and continues in full force and effect and binding upon the parties to said contract.

14.

That said contract Exhibit "A" required Chicago Metallic to pay a royalty or license fee of 5% on all its net sales of devices or products made or sold by Chicago Metallic which embody or are made in accordance with any of the inventions referred to in said contract Exhibit "A", beginning with such sales made from October 1, 1937; and that on or about October 20, 1939, the parties agreed upon a reduction of said royalty from 5% to 2.5%, said reduction in royalty to become effective from and after October 1, 1939.

15.

That plaintiff Chicago Metallic rendered reports and made payments of the royalties which it admitted to be due under said contract Exhibit "A" until and including a report made in the beginning of the year 1940 of such purported sales under the license during the quarter ending December 31, 1939; that said report and payments covered only the devices made by Chicago Metallic which it admitted embodied or were made in accordance with the licensed patents or publications; that Chicago Metallic has since submitted to defendant Edward Katzinger Company other devices or products made by Chicago
14 Metallic which, as alleged by it, do not embody or are not made in accordance with any of the licensed

patents or applications; that defendant alleges that all of said devices and products do embody and are made in accordance with the licensed patents and applications and has requested Chicago Metallic to pay the royalties called for by said contract Exhibit "A" on said devices and products so submitted to defendant by Chicago Metallic on which no royalties have been paid, but that Chicago Metallic refused and still refuses to pay any royalties on said changed constructions for the alleged reason that they do not embody or are not made in accordance with the licensed patents or applications; that Chicago Metallic should be required by order of this Court to submit to this Court for examination all of said changed constructions in order that the Court may determine whether the same do embody or are made in accordance with the licensed patents or applications, and that Chicago Metallic should be required to pay the royalties specified in said contract Exhibit "A" upon all of said changed or new constructions which the Court finds do embody or are made in accordance with the licensed patents or applications and on which no royalty has been paid by Chicago Metallic; that after the Court has passed upon and determined said question, Chicago Metallic should be required to account to defendant for all sales of said products embodying or made in accordance with the licensed patents or applications and should be compelled to submit its books and records for examination for the purpose of ascertaining the amount and volume of all such sales; defendant avers that Chicago Metallic has made and sold devices embodying or made in accordance with the licensed patents or applications for which no royalties have been paid and that it refuses to pay royalties thereon; that among the devices or products made and sold by Chicago Metallic and embodying or made in accordance with the licensed patents or applications for patents are numerous items including baking pans, muffin pans, pie tins, and other kitchen utensils which were made and sold by Chicago Metallic under various names, including the name "Bake-King"; that the exact number of devices or products embodying or made in accordance with the patents or applications of said license agreement and so made and sold by Chicago Metallic is not known to defendant and is not ascertainable from an examination of the records of Chicago Metallic; and that said devices or products

have been made or sold by Chicago Metallic at various prices and in different quantities, aggregating thousands of dozens, under which defendant claims it is entitled to royalties under said license agreement, and Chicago Metallic refuses to pay the same.

16.

Defendant avers that Chicago Metallic has not accounted for or paid to defendant royalties upon all of its sales of devices and products embodying or made in accordance with the licensed patents or applications; that some or all of the changed constructions or products on which no royalties have been paid do embody or are made in accordance with the licensed patents or applications, and that no royalties have been paid upon said changed constructions; that by taking the license Exhibit "A" Chicago Metallic has admitted the validity of the licensed patents so it is now necessary only that this Court decide whether the changed devices or products do embody or are made in accordance with the licensed patents or applications and, if so, to require the payment of royalty thereon; and defendant prays that a true and accurate accounting be made by Chicago Metallic to defendant for all such
16 sales which have not been heretofore reported or on which royalties have not heretofore been paid in accordance with the license Exhibit "A", as modified by the letter of October 20, 1939, reducing said royalties from 5% to 2.5%.

17.

Plaintiff alleges that said license agreement of October 1, 1937 was terminated on or about December 31, 1939. Defendant denies that said license agreement has been terminated, but, pleading in the alternative, defendant says that even if said license agreement of October 1, 1937 was terminated on or about December 31, 1939, plaintiff is still estopped to deny the validity of any patents licensed thereby. Plaintiff has, since December 31, 1939, made, used and sold within the United States devices infringing each of the following patents:

2,077,757	April 20, 1937
D-108,140	January 25, 1938
D-108,141	January 25, 1938
D-108,573	February 22, 1938

18.

Further pleading in the alternative, defendant says that even if said license agreement of October 1, 1937 was terminated on or about December 31, 1939, and even if plaintiff is not now estopped to deny the validity of the patents licensed thereunder, plaintiff has, since December 31, 1939, made, used and sold within the United States devices infringing each of the following patents:

2,077,757	April 20, 1937
D-108,140	January 25, 1938
D-108,141	January 25, 1938
D-108,573	February 22, 1938

17

19.

Defendant alleges that the following United States Letters Patent were, as to each patent, duly and legally issued to defendant on the respective dates specified, and that since then, has been and still is the owner of those Letters Patent. Defendant has placed the required statutory notice on all devices manufactured and sold by it under each of said Letters Patent:

2,077,757	April 20, 1937
D-108,140	January 25, 1938
D-108,141	January 25, 1938
D-108,573	February 22, 1938

Wherefore Defendant Prays:

(1) That an accounting may be taken by and under the direction of this Honorable Court for the purpose of ascertaining the amount of royalties due and payable from plaintiff to defendant under and by virtue of said contract of October 1, 1937 as modified.

(2) That plaintiff be required to submit all its books and records, in any manner relating to its said sales, and samples of each baking device made, used or sold by it, for examination.

(3) That plaintiff be required to make full and complete answer to this counterclaim and to matters alleged by this defendant in its answer which are not in answer to the complaint.

(4) That, in the alternative, defendant be granted a preliminary and final injunction against infringement of said patents by plaintiff.

18 (5) That the Court grant to defendant an accounting for profits and damages from plaintiff.

(6) That plaintiff be required to pay the costs of this proceeding.

(7) That defendant have such further and other relief in the premises as equity may require and to this Court may seem proper.

Mayer, Meyer, Austrian & Platt
Mayer, Meyer, Austrian & Platt

Chritton, Wiles, Davies & Hirschl
Chritton, Wiles, Davies & Hirschl
Attorneys for Defendant

Received a copy of the foregoing Answer of Defendant, Edward Katzinger Company, this ..... day of ....., 1941.

.....

Banning & Banning
Attorneys for Plaintiff

State of Illinois,
County of Cook—ss.

Edward R. Cullen, being first duly sworn on oath deposes and says that he served a copy of the foregoing complaint and counterclaim and attached exhibits upon the attorneys for the plaintiff by leaving the same with Miss Anne Gorishek, who was in charge of the office of said attorneys.

Edward R. Cullen

Dated, December 5, 1941
(Seal)

Subscribed & sworn to before me this 5th day of December, 1941.

Anne Gorishek

19 EXHIBIT "A"

This Agreement, made and entered into this 1st day of October, 1937, by and between The Edward Katzinger Company, an Illinois corporation, having its principal office and place of business at the City of Chicago, in the State of Illinois, hereinafter called "Licensor", as party of the first part, and Chicago Metallic Mfg. Co., an Illinois corporation, having its principal office and place of busi-

ness at Chicago, Illinois, hereinafter called "Licensee", as party of the second part,

WITNESSETH

Whereas, Licensor is the owner of the following patent and applications for patent, viz:

Jackson Patent No. 2,077,757, issued April 20, 1937
Jackson App. Ser. No. D-64,729, filed September 5, 1936
Jackson App. Ser. No. D-64,730, filed September 5, 1936
Jackson App. Ser. No. D-66,868, filed January 2, 1937
Jackson App. Ser. No. D-66,869, filed January 2, 1937
Jackson App. Ser. No. D-66,870, filed January 2, 1937
Jackson App. Ser. No. D-66,871, filed January 2, 1937;

and

Whereas, Licensee desires to acquire the non-exclusive right and privilege of making devices or products embodying or made in accordance with the invention described and claimed in said patent and applications for patents and any improvements thereon;

Now, Therefore, in consideration of the premises and of the promises and agreements of the parties hereto, as hereinafter set forth, it is mutually agreed by and between said parties as follows:

1. Licensor gives and grants to Licensee a non-exclusive, non-transferable (except in connection with the sale of its entire business) license to manufacture and sell devices embodying or made in accordance with the inventions described and claimed in said patent and applications for patents and any improvements thereon made or acquired by Licensor during the term of this agreement, throughout the entire territory of the United States of America and its dependencies.

2. For the rights and privileges hereby granted, Licensee shall pay to Licensor a royalty or license fee of 5% (five per cent) of its net sales, as hereinafter defined, of devices or products embodying or made in accordance with any of the patents or applications under this license, for sales made after October 1, 1937, and while this agreement remains in force and effect.

3. Licensor agrees that while this agreement remains in force and effect, if it permits others under license or other agreement to manufacture or sell articles or devices embodying or made in accordance with any of the patents or applications hereinbefore described, upon terms more

favorable than those granted the Licensee hereunder, the Licensor shall immediately notify the Licensee hereunder and grant the same terms to the Licensee.

4. Licensee shall keep true and accurate records showing its transactions hereunder, to which Licensor shall have access during reasonable business hours, by its duly authorized representatives, for the purpose of verifying or checking any report or payment made hereunder.

5. The Licensee shall make a report in writing to Licensor, verified by the oath of an officer of Licensee, if desired by Licensor, showing the amount of net sales of devices or products embodying or made in accordance with any of the patents or applications or improvements coming within this license, during the calendar quarters of each year ending March 31, June 30, September 30, and December 31, on or before the 20th day of February, May, August and November in each year during the term of this agreement, and shall accompany such report with a remittance covering the amount of royalty shown thereby to be due.

6. Licensee shall mark all devices or products made or sold by it hereunder in accordance with the United States Patent Statutes, as directed by Licensor.

7. Should Licensee become bankrupt or insolvent, or enter into any composition with its creditors, or go into the hands of a receiver, this license shall forthwith cease and terminate, and no rights hereunder shall pass to any trustee, assignee or receiver in bankruptcy or insolvency of Licensee.

8. Should the Licensee learn that a non-licensed competitor of the Licensee is infringing the licensed patent or patents, the Licensee may in writing call the attention of the Licensor to such infringement, giving full de-
21 tails thereof to said Licensor. Such alleged infringement shall thereupon be investigated by Licensor, and if within ninety (90) days after receipt of such written notice Licensor shall fail to start suit against such alleged infringer or shall fail to convince Licensee that such suit should not be instituted, the question of the bringing of such suit against said alleged infringer shall be submitted to American Arbitration Association of New York City, for arbitration in accordance with its rules and procedure. After hearing, the findings of said American Arbitration Association on the question of whether suit should or

should not be brought, shall be final, binding and conclusive upon the parties hereto. All costs and expenses of such arbitration proceeding, including reasonable attorneys fees for the successful party shall be borne entirely by the unsuccessful party in said proceeding. Any and all expenses in connection with any suit commenced or maintained against any alleged infringer shall be borne by the Licensor. Except as provided in Paragraph 9 hereof, Licensee shall continue to render reports and pay the royalties as herein provided. Licensee shall not share in any profits or damages recovered from any infringer of any of the licensed patents.

9. Should all claims in the patents included in this license, essential to commercial operation by Licensee, be held invalid by a decision or decree (unappealed or unappealable) by a court of competent jurisdiction, in a contested suit brought on said patents, Licensee shall have the right, at any time thereafter, at its option, to terminate this license on a written notice to that effect given to Licensor but such cancellation shall not affect the liability of Licensee to pay royalties accruing hereunder up to the time of the taking effect of said cancellation notice.

10. The Licensor at its own expense shall defend all suits that may be instituted by any one against the Licensee for alleged infringement of any patent relating to the invention described and claimed in the said patent and applications for patents hereinbefore described, or any improvements thereon, used by Licensee under this license, and Licensor shall save the Licensee harmless from any losses or damage by reason of any such infringement or charges or claims of infringement.

11. Licensor reserves the right to establish a minimum sales price for the articles or products which Licensee is licensed to manufacture hereunder and to modify or change such minimum prices from time to time during the life of this agreement. The Licensor, as well as Licensee
22 and any other person, persons or corporation licensed by Licensor, shall not, with the consent of Licensor, sell or offer for sale, or otherwise dispose of any of the licensed devices or products below said minimum sales price, or on more favorable terms of sale than those set forth in any such scale of prices so established by Licensor. Contemporaneously with the execution and de-

livery of this license agreement, Licensee has received from Licensor a schedule of minimum prices, effective as of the date hereof, below which none of the products or devices made under this license shall be sold. Licensor reserves the right, upon thirty (30) days' notice in writing given by Licensor to Licensee, to change said minimum prices from time to time during the life hereof. On such articles or devices made and sold by Licensee as to which Licensor shall have failed or neglected to establish a minimum sales price, the royalty shall likewise be computed on the net sales price received by Licensee from its customers. Licensee or its duly authorized representatives shall have access from time to time to the books of account of Licensor during ordinary business hours for the purpose of determining whether or not Licensor has complied with the provisions of this paragraph.

12. Should Licensee fail to make any report or payment required by the terms of this contract, Licensor shall have the right to terminate or cancel the same by a thirty-day notice in writing to that effect, served upon or delivered to Licensee, calling attention in such notice to the violation because of which said notice is given. Provided, however, that such notice of cancellation shall be wholly ineffective if Licensee, within the thirty days mentioned therein, shall cure or remedy the default or failure because of which said cancellation notice is given, and this contract shall continue with the same force and effect as if no such notice had been given.

13. "Net sales", as used in this agreement, shall be an amount equal to the net invoice price of such articles or devices embodying the invention described in the patent or patent applications hereunder, less transportation charges, trade discounts or allowances, and less the invoice price of returned merchandise.

14. This contract shall remain in force for and during the life of the last expiring patent coming within the terms of this license unless sooner terminated by either party upon sixty days' written notice to the other party, provided, however. that Licensee may avail itself of this
23 right to terminate only upon ceasing to manufacture, sell or distribute articles embodying or made in accordance with any of the licensed patents or applications, except as provided in paragraph 9 hereof. Should Licensee elect to terminate, as aforesaid, except as provided in paragraph 9 hereof, without ceasing to manufacture, sell

or distribute said article, it shall be estopped from denying the validity of said patent or patents, or any of them, and be deemed an infringer thereof.

15. Any notice hereunder by one party to the other may be made by registered mail, return receipt requested addressed as follows:

Edward Katzinger Company,
Chicago, Illinois.
Chicago Metallic Mfg. Co.,
3711 S. Ashland Avenue,
Chicago, Illinois.

This agreement shall inure to and be binding upon the parties hereto and their respective successors and assigns.

In Witness Whereof the parties hereto have caused these presents to be signed in their corporate names and their corporate seals to be hereunto affixed as of the day and year first above written.

The Edward Katzinger Company,
By Arthur Katzinger (signed)
Vice President

In the presence of:
Stanley Hoods (signed)
John Kovach (signed)

Attest:
M. King Schrager (signed)
Secretary

(Seal) (Seal)

Chicago Metallic Mfg. Co.
By Louis S. Debs (signed)
Vice President & Treas.
Attest: Jerome H. Debs (signed)
Secretary

24

Edward Katzinger Company
1949 North Cicero Avenue
Chicago

October 20, 1939

Chicago Metallic Manufacturing Co.
3711 S. Ashland Avenue
Chicago, Illinois

Gentlemen:

This letter will serve to amend Paragraph 2 of the license

agreement between us dated October 1, 1937 in the following respect:

> For the period from and after October 1, 1939 the royalty or license fee shall be 2-½% of net sales in lieu of 5%.

In all other respects said agreement of October 1, 1937 remains unchanged and in full force and effect.

Edward Katzinger Company
By M. King Schrager
Secretary

The above amendment is hereby accepted and agreed to.
Chicago Metallic Manufacturing Co.
By Louis H. Debs.

SCHEDULE OF MINIMUM PRICES AS PROVIDED IN LICENSE AGREEMENT DATED 10/1/37—TO REMAIN EFFECTIVE UNTIL CHANGED AS PROVIDED THEREIN.

Your Items Equivalent to Katzinger Catalog No.	Minimum Price Per Doz.
X306 Pie Plate	$ .19
X309 " "	.32
X310 " "	.38
X409 " "	.38
X410 " "	.45
X509H Scalloped Pie Plate	.38
X91 K. E. Jelly Cake Pan	.53
X101 " " " " "	.59
X94 K. E. Mt. Cake Pan	.55
X104 " " " "	.65
X92 K. E. Pie Plate	.49
X102 " " "	.56
X19 Jelly Cake Pan	.38
X21 " " "	.44
X29 Mountain Cake Pan	.38
X30 " " "	.48
X6 Muffin Frame	.75
X8 " "	1.04
X12 " "	1.42
X1060 Turkshead Frame	.76
X1080 " "	1.05
X1120 " "	1.51
X640 Long Loaf Pan	$ .76
X8DL Cookie Sheet	.74
X10DL " "	1.05
X11A " "	1.43
X602 Oblong Bisc. Pan	.62
X633 " " "	1.00
X734 " " "	.76
X821 Sq. Jelly Cake Pan	.59
X621 " " " "	.62
X622 " " " "	.67
X600 " " " "	.42
X601 " " " "	.62
X630 " " " "	.67
X631 " " " "	.73
X632 " " " "	.76
X30 Nuloy Double Roaster	3.42
8" Pot Cover	.29
8½" " "	.30
9" " "	.32
9½" " "	.35
10" " "	.38
10½" " "	.40
11" " "	.44
11½" " "	.48
12" " "	.52

X60	Corn	Cake	Frame	.....	.76	X343	Spring Form Cake Pan.. 1.90
X80	"	"	"	.....	1.05	X242	" " " " .. 1.51
X120	"	"	"	.....	1.51		
						X510	Krinkle Cake Pan ..... .71
X080	Tea	Biscuit	Frame	....	.75		
X1608	"	"	"	....	1.43		
X880	Turkshead	Tea	Bis.	Fr.	.75		
X1688	"	"	"	"	1.43		
X7	Bread	Pan	.....		.64		
X47	"	"	.....		.67		
X57	"	"	.....		.76		
X86	"	"	.....		.76		
X606	"	"	.....		.64		
X607	"	"	.....		.67		
X608	"	"	.....		.76		
X603	Bread	&	Cake	Pan.....	.59		
X604	"	"	"	"	.59		
X605	"	"	"	"	.59		

26 And on, to wit, the 23rd day of December, 1941, came the Petitioner by its attorneys and filed in the Clerk's office of said Court its certain Answer to Counterclaim in words and figures following, to wit:

27 IN THE DISTRICT COURT OF THE UNITED STATES
* * (Caption—2647) * *

Filed Dec. 23, 1941

ANSWER TO COUNTERCLAIM

Petitioner admits the allegations stated in Paragraphs Nos. 12 and 14, but denies the allegations stated throughout the remainder of the Counterclaim, wherefore Petitioner reaffirms its prayers as set forth in the Petition and prays that the Respondent's Counterclaim be dismissed, with costs.

Chicago Metallic Manufacturing Company
By Ephraim Banning
Its Attorney

Banning & Banning
Solicitors for Petitioner
December 23, 1941

ACKNOWLEDGMENT OF SERVICE

Service of a copy of the foregoing Answer to Counterclaim acknowledged this 23rd day of December, 1941.

Mayer, Meyer, Austrian & Platt
by J. V. Schwartz
Mayer, Meyer, Austrian & Platt
Chritton, Wiles, Davies & Hirschl
Chritton, Wiles, Davies & Hirschl

28 And on, to wit, the 19th day of May, 1942, came the parties hereto by their attorneys and filed in the Clerk's office of said Court their certatin Stipulation in words and figures following, to wit:

Filed May 19, 1942

29 IN THE DISTRICT COURT OF THE UNITED STATES
* * (Caption—2647) * *

STIPULATION

It is hereby stipulated by and between the parties hereto, by their respective attorneys, as follows:

1. For convenience, the parties to this proceeding will hereinafter be referred to as "Metallic," indicating the Plaintiff-Petitioner, Chicago Metallic Manufacturing Company, and "Katzinger," indicating the Defendant-Respondent, Edward Katzinger Company.

2. Ordinary uncertified copies of patents as regularly furnished by the Patent Office, may be offered in evidence with the same force and effect as if duly certified, and the dates appearing thereon for filing of applications and issuance of patents shall be accepted as true and correct, unless evidence to the contrary shall be offered. Metallic now produces, as certain of its exhibits, the following (copies):

30 Metallic Exhibit 1—Jackson Patent No. 2,077,757
Metallic Exhibit 2—Jackson Design Patent No. 108,140
Metallic Exhibit 3—Jackson Design Patent No. 108,141
Metallic Exhibit 4—Jackson Design Patent No. 108,573

Exhibit 1 is identified in a license agreement of October 1, 1937 (hereinafter referred to as Exhibit A in paragraph 5 hereof), as one which had then been granted under date

of April 20, 1937; and Exhibits 2, 3 and 4 are patents which issued at dates subsequent thereto from three of the six then pending applications which are also specified in the same license agreement. The remaining three applications therein listed were, subsequent to October 1, 1937, abandoned, so that the four Exhibits 1, 2, 3 and 4 represent all of the patents, actual or prospective, which are set out in the license agreement of October 1, 1937. Title to these four patents has remained with Katzinger at all times.

3. Metallic also produces, as additional exhibits, the following patents (copies):

Metallic Exhibit 5—Ledig Design Patent No. 16,612
Metallic Exhibit 6—Wojidkow Design Patent No. 50,004
Metallic Exhibit 7—Williamson Patent No. 265,204
Metallic Exhibit 8—Ball Patent No. 495,872
Metallic Exhibit 9—Mullins Patent No. 563,675
Metallic Exhibit 10—Andersen Patent No. 835,876
Metallic Exhibit 11—Cortz Patent No. 1,625,243

31 Of these patents, only the one to Williamson, No. 265,204 (Exhibit 7), was not cited by or to the Examiner in charge of the application, while pending, which matured into the Jackson Patent No. 2,077,757 (Exhibit 1). By motion to be made at the trial, Metallic's Petition for Declaratory Judgment may be amended to include, in the list of patents appearing in Paragraph 11 thereof, two additional patents (Exhibits 7 and 9 above) as follows:

No. 265,204, September 26, 1882, Williamson
No. 563,675, July 7, 1896, Mullins

4. The parties further stipulate that the recitals herein set forth may, if accepted by the court as competent, relevant and material to the case, be accepted as true for the purposes of the trial of this cause only. The stipulation does not waive the right of either party to object to the admissability of any recital herein contained nor does it bar either party from contending that the other party is estopped to assert the truth or existence of any recital herein made; nor shall the stipulation limit the right of either party to introduce evidence on any matter not specifically covered by a recital hereinafter made, or additional thereto but not contradictory thereof.

5. The parties hereto entered into a license agreement October 1, 1937, of which a true and correct copy marked Exhibit A was filed by Katzinger as part of its An-

32 swer herein. This license agreement comprises also a letter of October 20, 1939, from Katzinger to Metallic, and a schedule of minimum prices as provided in the license agreement of October 1, 1937, true and correct copies of each having been filed by Katzinger as part of its Exhibit A. In pursuance of this license agreement Metallic did, for a period of two years more or less, exercise the license therein given by making certain tinware products and selling same at the prescribed minimum prices, and paying therefor the applicable royalties.

6. In pursuance of the license agreement aforesaid Metallic manufactured and sold a line of tinware known as Bakerex, and accounted therefor to Katzinger for the period January 1, 1938-December 31, 1940. No dispute concerning royalty payments due on sales of Bakerex pans during the period January 1, 1938-December 31, 1940, was ever made until February 25, 1941, at which time Metallic was notified that none of its previous accounting statements would be accepted.

7. On February 26, 1941, Metallic sent to Katzinger, by registered mail, a notice in writing, signed by L. H. Debs, as Vice President and Treasurer of Metallic, as follows:

33 "Referring to our agreement of October 1, 1937, we have no desire of proceeding further under same, and so give you notice now, under Paragraph 14 thereof, of our election to terminate, and hereby do so.

"For your information, we have ceased manufacturing, selling or distributing any articles embodying or made in accordance with the patents specified in this license."

Katzinger replied in a letter of February 26, 1941, signed by M. King Schrager as Secretary of Katzinger, as follows:

"Acknowledgment is made of your letter of February 20, 1941, in which you refer to the agreement between us of October 1, 1937 and purport 'to terminate' pursuant to the provisions of Paragraph 14 thereof.

"Please advise whether the last paragraph of your letter of February 20 applies to the tinware marketed by you under the trade name 'Bake-King' as well as 'Bakerex' and whether you have in fact ceased the

manufacture, sale, and distribution of the articles manufactured and sold by you under the trade name 'Bake-King'.

"Your right under said Paragraph 14 'to terminate' is contingent upon your ceasing to manufacture, sell, or distribute the articles embodying or made in accordance with any of the licensed patents or applications referred to in the agreement.

"Unless you have in fact ceased to manufacture, sell, or distribute such articles, your attempt 'to terminate' is of no effect, and we shall and do consider the agreement of October 1, 1937 in full force and effect."

34 This letter of February 26, 1941, from Katzinger, was replied to by Metallic in a letter of March 3, 1941, signed by L. H. Debs, Vice President and Treasurer of Metallic, as follows:

"Answering your inquiry of February 26th, our notice of cancellation sent you under date of February 20, 1941 had reference in the last paragraph to the Bakerex tinware, the manufacture and sale of which was discontinued in 1939 as your attorneys have already been informed by Mr. Banning.

"Since discontinuance of the Bakerex line we have proceeded to manufacture and sell our Bake King line of tinware, and are still doing so. In the opinion of our attorneys, the Bake King tinware, as to every item, is free of your patents and not subject to the license agreement of October 1, 1937, now terminated.

"We cannot agree with you in the conclusion that our termination of the agreement referred to is ineffective. At the time notice was given you, our manufacture and sale of articles under the license had been discontinued for over a year, consequently all conditions of paragraph 14 thereof have been fully satisfied."

8. Lalance & Grosjean Manufacturing Company, having a principal office in New York City, published and distributed, in 1922, a catalog entitled "Enamel, Steel and Sheet Metal Cooking and Sanitary Wares." in which was offered for sale certain tinware including the items described and illustrated in four pages of this catalog, now produced as Metallic Exhibit 12.

35 9. Apollo Metal Works, of LaSalle, Illinois, published and distributed in March of 1934 certain folders describing and illustrating metallic sheets which it was then offering for sale on the market. One of these folders is now produced as Metallic Exhibit 13.

10. The American Nickeloid Company, of Peru, Illinois, published and distributed, commencing with August 10, 1934, a catalog illustrating and describing certain metallic sheets which it was then offering for sale on the market. A specimen of its catalog is now produced as Metallic Exhibit 14.

11. Two samples of sheets embodying patterns as illustrated at the right lower corner of the outside back cover of the catalog of The American Nickeloid Company, Exhibit 14, and as prepared for and furnished to the trade by The American Nickeloid Company, are herewith produced as Metallic Exhibits 15 and 16 respectively.

12. The line of Bakerex tinware made under the license agreement of October 1, 1937, Exhibit A, comprised items as follows:

Bread Pans (3 sizes)
Long Loaf Pans (1 size)
Oblong Biscuit Pans (4 sizes)
Seamless Square Biscuit pans (5 sizes)
Seamless Cookie Pans (4 sizes)
Tea Biscuit Muffin Pans (2 sizes)
36 Muffin Pans (3 sizes)
Corn Cake Pans (3 sizes)
Turkhead Muffin Pans (3 sizes)
Variety Muffin Pans (3 sizes)
Deep Pie Plates (5 sizes)
Mountain Cake Pans (2 sizes)
Deep Jelly Cake Pans (2 sizes)
E-Z Out Jelly Cake Pans (2 sizes)
E-Z Out Mountain Cake Pans (2 sizes)
Spring Form Cake Pans (3 sizes)
E-Z Out Pie Plates (2 sizes)

A specimen of the Bakerex tinware as formerly made and sold by Metallic is now produced in evidence as Exhibit 17. In the manufacture of the Bakerex line, smooth metal sheets are passed a single time only between a pair of rolls about 18 inches wide, each of these rolls being embossed with the proper embossing to give the Bakerex design.

13. Since the middle part of 1939, Metallic has produced and sold another line of tinware known as Bake King. Representative specimens of the items comprised in the Bake King line of tinware (eleven in number) are now produced in evidence collectively as Metallic Exhibit 18. The complete line of Bake King tinware is substantially as follows:

Pan Covers (10 sizes)
Square Pans (5 sizes)
Trays (4 sizes)
Rectangular Pans (3 sizes)
Loaf Pans (7 sizes)
Round Pans (9 sizes or styles)
Multiple Cake Moulds (4 sizes or styles)

Each item in Exhibit 18 carries a label bearing the number which has been regularly assigned thereto and used by Metallic in its sales thereof.

37 14. In the manufacture of the Bake King tinware, the metal sheets to be roller-embossed are passed though one or more sets of embossed rolls having a width of from about 36 to 40 inches. Each sheet of metal so to be embossed is passed through the rolls approximately six times. In the first pass one edge of the sheet is lined up with the axis of the rolls and the sheet then advanced straight through between the rolls, resulting in the formation of projections and depressions arranged in straight rows aligned with the side edges of the sheet. A sheet so passed through these rolls just once is the same as the sheets for the Bakerex pans. For the Bake King design each sheet is then turned approximately 90° and then passed again through the same rolls or a second set of rolls the same as the first. To complete the Bake King design the sheets are repeatedly passed through the same rolls or duplicate sets of rolls up to a total of approximately six passes, each pass being at a different angle as determined more or less at random by the operators who use no gauge to fix the position of the sheets for each succeeding pass. A specimen of metal sheet which has passed through the Bake King rolls once, as above described, is produced herewith as Metallic Exhibit 19. Another sheet which has passed twice through the rolls, as described above, is produced herewith as Exhibit 20. The
38 metal sheets, after three, four, five and six passes, as described above, are exemplified, respectively, in

Metallic Exhibits 21, 22, 23 and 24, produced herewith. The sheets so impressed with the Bake King design by roller-embossing are never completely identical with each other.

15. A few of the Bake King tinware items comprised in Exhibit 18 are not roller-embossed, an example thereof being the pan No. BK-1105 for a single cup cake. The design appearing in the bottom of this pan was produced by a die having irregularities formed therein exactly the same as has been impressed in the bottom of this pan. Every pan so embossed by such a die is identical with every other pan so made. In this cup cake pan the side walls are smooth and devoid of any pattern. In the multiple cake mould No. BK-208D also comprised in Exhibit 18, the individual cake moulds are made by the die in the same way as item No. BK-1105 just described, and then connected to a supporting platform which is roller-embossed between companion rolls in the manner set forth in detail in the next preceding paragraph hereof.

Banning and Banning
Attorneys for Petitioner
Chritton, Wiles, Davies and Hirschl
Attorneys for Respondent

Chicago, Illinois
May 19, 1942.

39 And on, to wit, the 11th day of June, 1942, there was filed in the Clerk's office of said Court a certain Report of Proceedings had and evidence taken in words and figures following, to wit:

Filed June 11, 1942

40 IN THE DISTRICT COURT OF THE UNITED STATES
* * (Caption—2647) * *

Report of Proceedings had and Evidence taken at the trial of the above-entitled cause, before Honorable William J. Campbell, one of the Judges of said Court, on Wednesday, May 27, 1942.

Present:

Ephraim Banning, Esq., and Samuel W. Banning, Esq., on behalf of Chicago Metallic Manufacturing Company, Petitioner;

Messrs. Chritton, Wiles, Davies & Hirschl, By: Marcus A. Hirschl, Esq., and Charles J. Merriam, Esq., and Stanley Hoods, Esq., on behalf of Edward Katzinger Company, Respondent.

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43 The Court: Are the parties ready?

Mr. Merriam: We are ready, your Honor.

The Court: Is the plaintiff ready?

Mr. Samuel W. Banning: Yes.

Mr. Merriam: I represent the defendant. Before we start in this trial, your Honor, I wish to state that this is a declaratory judgment suit and I would like to discuss preliminarily as to who should make the opening, because the controversy being admitted, it has been my practice in such cases as I have had to proceed as if it were a trial of a case which is to be tried, namely, the infringement suit.

The Court: Now, there is a difference of opinion on the subject, but the practice which I have followed here in declaratory judgment cases, whether they involve patents or other matters, is to allow whoever files the bill to proceed to get in a prima facie case, which brings the matter to issue as it would be in the ordinary civil suit; whereupon the burden of proof shifts to the defendant and he has the right to open and close. If there is some question tried before a jury on interrogatories, the defendant becomes entitled to open and close before the jury. This being a patent case, you do not have a jury.

Mr. Merriam: No.

The Court: But I would like to follow the same procedure, unless there is some reason why I should
44 not.

Mr. Samuel W. Banning: I think it should be followed, your Honor.

Mr. Merriam: The only question on the prima facie is whether there is a controversy, and that is admitted.

The Court: Then, your prima facie case under the declaratory judgment act is in.

Mr. Merriam: Yes.

The Court: Then it shifts to the defendant, who has the right to open and close.

Mr. Merriam: That was my theory.

Mr. Samuel W. Banning: Why, your Honor, the whole

case involves the interpretation of a certain contract that was entered into between the parties, and it seems to me that the order of the court's procedure would be for the original plaintiff to go ahead and discuss this case in all of its aspects, at least outline what it is about and what our views are about it.

The Court: I agree with that. I agree with that. In other words, I want the issue before me. I assume that somewhere along the line is going to come the question of the validity of this patent, isn't that right?

Mr. Samuel W. Banning: That is true.

45 The Court: And the Circuit Court of Appeals may be concerned about it.

Mr. Samuel W. Banning: And the question of the interpretation of claims is a very vital issue.

The Court: All right.

Mr. Merriam: That is the position of the plaintiff upon which we take issue and claim they are estopped to claim either one. It is a patent infringement case, pure and simple.

Mr. Samuel W. Banning: It also involves our right to terminate a certain license contract.

Mr. Merriam: We admit they have a right to terminate it.

The Court: I will settle the matter for both of you. Let us start from the beginning. We have here a complaint for relief under the declaratory judgment act. Is that correct?

Mr. Merriam: Yes.

Mr. Samuel W. Banning: Yes.

The Court: Now, you proceed to put in your prima facie case by argument and otherwise and I will announce when the burden of proof has shifted.

(Whereupon a short intermission followed.)

Mr. Samuel W. Banning: If it please your Honor, the petition was originally filed to declare invalid four

46 patents in which the title was in Katzinger. I will refer to the parties as Metallic and Katzinger, because there is the original complaint or petition and there is a counterclaim.

One of these patents is a mechanical patent. They all relate to tinware and particularly to tinware for baking purposes, baking pans. The parties were under contract. License contract was entered on the 1st of October, 1937, at which time Metallic took a license under these four

patents from Katzinger, agreed to pay certain stipulated royalties. There was an agreement to maintain prices. At that time, Chicago Metallic was manufacturing a line of tinware which was known as the Bakerex line. I think just for the purpose of indication—

Mr. Ephraim Banning: Your Honor, the exhibits were left here about a week ago.

The Court: Yes. Bring out the exhibits. They are in my vault. We have the exhibits that were filed with the stipulation of facts.

Mr. Samuel W. Banning: Oh, yes.

The Court: I have them in my vault. I sent the bailiff for them.

Mr. Samuel W. Banning: Well, this happens to be one of Katzinger construction. They are so much
47 alike—

The Court: Why don't we wait until the exhibits come out?

Mr. Samuel W. Banning: All right. Then we will have the identical one.

The Court: The Marshal will bring them right out.

Mr. Samuel W. Banning: All right. Well, I can continue my exposition of facts at that time.

The Court: All right.

Mr. Samuel W. Banning: So that Metallic was manufacturing this Bakerex line and it followed quite closely the disclosure of the principal patent here, the mechanical patent.

Later on, Chicago Metallic decided to discontinue the manufacture of the Bakerex line, introduced another line which was known as the Bake-King which, according to our contentions, differs very radically from the Bakerex and also from the patented construction, and having discontinued the Bakerex line, they discontinued any further payment of royalties and in the course of time, they served notice on Katzinger that the contract was terminated and it was after that that this litigation arose.

It is asserted by the Katzingers, I understand, that we had no right at the time to terminate the contract because they contend that the Bake-King line—

48 Mr. Merriam: May I interrupt you for a second? To remove an issue, we don't confess that any more. We contend that the Circuit Court of Appeals decided that and we admit that the agreement was terminated by your notice.

Mr. Samuel W. Banning: Then, I take it that your charge now is a straight charge of patent infringement.

Mr. Merriam: That is correct.

Mr. Samuel W. Banning: You are not asking for royalties in the alternative, as was stated in the pleadings?

Mr. Merriam: Only prior to determination.

Mr. Samuel W. Banning: Prior to the determination—

The Court: That removes an issue, then.

Mr. Samuel W. Banning: Apparently so. Then, the contract was terminated.

The Court: Let the record so show.

Mr. Merriam: Let me make clear one point there: We admit that the license is terminated. The license agreement had a provision in it that said if this is terminated under certain conditions, then certain estoppels follow. Now, we contend that the estoppels are still in force and continue, but the license itself is gone.

Mr. Samuel W. Banning: The license is gone, so
49 that we are not charged now as being licensees.

The Court: That is all right. Then, that apparently does remove an issue.

Mr. Samuel W. Banning: Then, that apparently does remove one of the issues.

The Court: That reduces this, then, to a straight patent infringement case.

Mr. Samuel W. Banning: Well, I don't know that it does.

The Court: What else is there to it?

Mr. Samuel W. Banning: There is this question of estoppels that I would like to discuss, because there are certain question of law there—

The Court: All right.

Mr. Samuel W. Banning: —that I want definitely fixed in mind, and I would like to direct myself for a few moments to the patent itself and to its place in the art. Now, it will be contended, I suppose, that we are estopped, that these estoppels extend to the extent that we can't refer back to the prior art. I don't know how far counsel is going to go on the question of estoppel, but I would like to outline our theories as to the law of this case.

The Court: All right, go right ahead.

Mr. Samuel W. Banning: And very briefly as to the facts.

50 Now, suppose we direct attention for just a few moments to the main Jackson patent, that is Patent No. 2,077,757.

The Court: I think my soft copies are with those exhibits down there. I would like to have them back. The Marshal will bring them to me.

Mr. Samuel W. Banning: This is a mechanical patent and the other three are design patents.

The Court: Yes.

Mr. Samuel W. Banning: May I ask counsel at this stage whether this charge of infringement will be urged under all three of the design patents, or how far are you going on that?

Mr. Merriam: Now, we are getting to the point where it is really part of my case; in other words, he is trying to reply to what he expects me to say.

Mr. Samuel W. Banning: I want to confine my opening remarks to the live issues in this case. I do not want to discuss matters that won't be in issue in the case.

The Court: As I stated previously, gentlemen, I will hear anything that you gentlemen care to say on the bill that is filed. After I hear your opening remarks and sufficient of the proof, if any is needed, then I will decide
51 whether or not the burden of proof shifts, and at that time, when we get to the proposition where we are concerned with the patents in suit, I will, of course, require the holder of the patent, the owner of the patent, which I understand is Katzinger, the defendant—

Mr. Merriam: That is correct.

Mr. Samuel W. Banning: That is right.

The Court: —to elect on what claims it relies and on what patents it relies, and then I will shift the burden of proof to the petitioner as in an ordinary infringement case. They will state what claims and what patents they rely upon and the burden of proof will go to them.

Mr. Samuel W. Banning: This principal Jackson Patent No. 2,077,757, I presume you have it there, your Honor—

The Court: Yes, I have it right here.

Mr. Samuel W. Banning: Now, a mere glance at that patent shows it is a tinware in the nature of a pan or tray. They call it a baking pan and the characteristic and distinguishing feature of it is that throughout the entire Metallic structure, at least throughout the base of it, the bottom, and in some cases along the side walls, there is a geometric pattern or design, very conspicuous. In this case, it runs two directions and in regular re-

52 current intervals it divides the metal of the pan or embosses the metal of the pan in such a way that it has uniform depressions, each one separated or segregated from its fellows by an intervening surrounding wall. That is perfectly apparent from first glance at it. Now, that is the characteristic feature of that type of metallic tinware and when we look to the specification, we find that the inventor emphasizes quite forcibly the idea of regularity, geometrical regularity in the imprinting of that design.

Turning to the second column on the first page, and I will begin at the bottom of the first column, the patent states:

> "The present invention contemplates a baking pan that will overcome the objectionable features of the prior pans, by providing an over-all geometric design or pattern in one or more of the pan walls which will produce a series of alternate depressions and elevations throughout the surface of the pan wall. When the material of the pan is thus treated by having an over-all geometric design or pattern impressed or formed therein, the pan will be greatly strengthened and the appearance vastly improved."

That is what the inventor had to say about the nature
53 of his invention, and you will observe that he refers to a geometric design or pattern, and if we examine the dictionary we find that the term geometric has relation to regular lines and angles or circles. Recurrence in regularity is the paramount idea that is conveyed there, also the idea of an over-all geometric design or pattern and all throughout the entire surface of the pan there is this same recurrence, this same regular repetition of the individual units of design, from end to end.

And he speaks of a series. A series—there again, that implies this idea of regular recurrence in regular, orderly arrangement, something that is a clearly defined predetermined arrangement of the parts. And he says the appearance will be vastly improved. Well, of course, that appearance is the resultant of this geometric pattern that progresses recurrently and uninterruptedly throughout the entire pan. Now, that appearance is quite distinctive. It gives the appearance of order, regularity, symmetry and in the final analysis of mechanical productions something produced by machinery, by mass production. Of course, that is the way it is produced, and the appearance

that the inventor says will be greately improved is that kind of an appearance—the regularity, the order, re-
54 currence in uniform series.

Now, when he came to claim the invention, he carried this same idea into the claims. First, they all are pretty much alike, with the exception of the 6th. The first 5 are very definitely directed to an orderly alignment of the depressions and the elevations.

Claim No. 1:

"A sheet metal baking pan having a bottom stamped into alternate elevations and depressions, aligned in at least two directions."

Some are criss-cross, like a checker board in which you can definitely follow the alignment, first in one direction and then in the other.

Claim 2:

"A sheet metal baking pan having the material thereof stamped into alternate elevations and depressions aligned in at least two directions."

There seems to be a slight difference, in that the material is stamped. And the next one is similar, excepting that they are "relatively shallow depressions and elevations aligned in at least two directions."

And then Claim 4 is that they are shallow and "arranged in rows in at least two directions, said rows
55 being separated one from the other by continuous, relatively low and narrow elevations."

The same idea of order, regularity of alignment.

Claim 5.

"A sheet metal baking pan having a series of shallow, relatively small depressions formed in the bottom thereof and aligned in rows in at least two directions, said rows being separated one from the other by relatively low and narrow elevations, part of which are continuous and part interrupted by other elevations."

Very definitely a regular pattern recurrence.

Now, Claim 6 is on somewhat different order and requires special consideration. Claim No. 6 is:

"A metal baking pan having a plurality of separated relatively shallow, small depressions in the bottom and walls thereof."

We find here two limiting or qualifying words which I am going to center some attention upon, the "plurality of separated relatively shallow, small depressions."

Now, the idea of separation is simply the carrying out or carrying forward of the general concept that is
56 set forth and defined by the inventor, the language which I have read, the idea that each of these depressions shall be individually formed and separated from all of its fellows by some kind of a definitely regular, surrounding wall and it is also stated they shall be small depressions.

Now, the term "small" is a relative term, of course. It has no meaning at all except in relation to something that is large. Of course, a thing may be small in relation to some things and large in relation to others. In this case, the small depressions are small with relation to the size of the pan as a whole. That is the only intelligible meaning that we can derive out of that expression. They are small. They must be of a reduced or limited order of magnitude. They can't be hit or miss. They must follow a pretty definite pattern as to size and as to arrangement. They can't be of all shapes and sizes. They are small, and following out the concept that is set forth in the specifications, they are of a regular recurrent character.

Now, I want to say, first of all, that wholly apart from this question of estoppels which I will come to more in detail, that there is no estoppel at all to examine the File Wrapper of the file record of this patent as it
57 went through the Patent Office, to find what interpretations should be given to these claims, and there is no estoppel at all to examine the prior art in general, to find out what interpretation should be given the claims and it is not necessary even to plead the prior art to make it available for the purpose of interpreting the claims, not for the purpose of anticipating them, because although according to counsel's statement we are no longer to be regarded as licensees, he claims that the estoppels continue. I am directing a little thought to this question of estoppel. But, there are certain estoppels that run with the patent. They are not estoppels arising out of contracts at all, but they arise at the time that the patent is issued and they run with the patent at all times and against the patentee or his assignees, irrespective of any contracts he may later make, and one of those estoppels is that he cannot—the patentee or his assignee cannot claim for himself an interpretation of his claims which is commensurate with claims which he abandoned during the

progress of the case through the patent office. In other words, if a party submits a claim for a wholesale monopoly on all kinds of embossed tinware and the Examiner in the Patent Office says, "No, you cannot have that, it is too
58 broad, it is too extensive, it is too universal of a monopoly," and the patentee says, "Well, I will withdraw that claim for a wholesale monopoly, if you give me a patent I will take a limited monopoly for some particular kind of embossed tinware," and that is like parties dealing back and forth in connection with a contract. Finally they come together as to what the patent office is willing to allow and what the inventor is willing to accept.

So that the whole file of the patent office, the file record or the File Wrapper as it is usually called, is available for the purpose of showing what was abandoned by the patentee during his progress through the patent office, and he cannot recapture it later on, because it is an estoppel that runs with the patent itself. Now, I would like, first of all, to direct just a little attention to that score. I think I will refer to just about one decision, to emphasize that point. I don't think there is any question about it or can be any, but I have a number of cases sort of lined up in sort of a trial brief here.

Mr. Merriam: Is this the one you are looking for?

(Mr. Merriam hands book to Mr. Banning.)

59 Mr. Samuel W. Banning: Yes, I think that is one. That is the Casco Products Company vs. Sinko Tool & Manufacturing Company. That is one I have in the brief here. That is a recent decision by our Seventh Circuit Court of Appeals.

The Court: Perhaps I can read it quicker.

Mr. Samuel W. Banning: I think this is the one I have in mind. There is a marked passage there.

The Court: I would rather that you would make your legal argument after all the proof is in. At this time I would like you to confine yourself to what your proof is going to be.

Mr. Samuel W. Banning: I will not go too far on it.

The Court: Do you want to leave this in connection with your opening statement?

Mr. Samuel W. Banning: Well, perhaps. I do not think it will be necessary to go into reading of reports on these points. If I simply state what the point is, we can substantiate it later on.

My first point is that there is an estoppel against the

patentee or his assignee Katzinger to claim here under any of his issued claims, to claim the subject matter which
60 he sought vainly and abandoned in the Patent Office.

Now, I just want to read a word or two from the proceedings that were had in the Patent Office and which appear in the file record. Now, here is what he originally sought to cover. This was original Claim 2 as filed:

"A baking pan having an over-all pattern on the walls thereof consisting of depressions and elevations formed from and in the material of said walls."

Nothing was said there about small depressions, nothing said about separated depressions. Any kind, any possible pattern that consists of depressions and elevations in the walls of the pan was then sought on a claim that this inventor sought, vainly sought in the Patent Office and afterwards abandoned and accepted these more limited claims which I have read to your Honor.

Now, when he came back after the Examiner's first rejection, he came back and again sought to secure very broad protection, at a later date, as will appear from the File Wrapper, but he finally gave up any effort to secure protection on any kind of a configured or embossed metal ware with depressions and elevations.

So that we cannot attempt to interpret these claims,
61 and particularly Claim 6, in such a way that they will be commensurate with the claims which he abandoned. That is an estoppel running with the patent.

Now, the second question comes up as to whether we are estopped with reference to the prior art for the purpose of limiting these claims. And the courts have held repeatedly that even a licensee, while he is a licensee, can refer to the prior art to show the range and extent of the claims under which he accepted the license. That is only common sense, your Honor. The party says, "I will license you under the claims of my patent," and the license is accepted, and the licensee is obligated to pay the royalties. Well, the issue is immediately presented as to what comes under the license, what kind of a construction comes under the license, how broad are the claims, what is the proper interpretation for them?

The Supreme Court and numerous of the Appellate Courts in cases that I have before me here have pointed out that the licensee may refer back to the prior art for the purpose of determining the range and extent of the license. That is, the claims are the measure of the license

granted and if he manufactures beyond the license, he is not obligated to pay the royalties, because the royalties are only a consideration for whatever is made under the patent properly interpreted and the Supreme Court has held that the prior art is available, there is no estoppel to refer to the prior art for that purpose. Now, when we do refer to the prior art for that purpose—I won't refer in detail to it now—we find instances in the prior art in which there were alternating elevations and depressions in baking pans or in cooking utensils. One in particular shows lines or grooves arranged in recurrent series, so that each groove is a depression and each elevation separates the grooves. They are separate. Those things will come in later on. I think perhaps it is premature at this stage to refer in detail to them, but you will find that there is abundant prior art to require a very strict interpretation of those claims in a way which will clearly avoid—in a way in which the Bake-King type of construction clearly avoids the claims. The claims do not cover and weren't intended to cover the type of construction illustrated in the Bake-King.

62

Mr. Ephraim Banning: This is the Bakerex.

Mr. Samuel W. Banning: All right. Here, your Honor, is the Bakerex (Indicating). There, as I said before, the characteristic appearance of this is regular, a symmetry pattern, geometric design. The light, as it falls, falls on definitely arranged facets or protuberances in the metal. It is a perfectly definite arrangement. It ultimately presents the appearance of machine production, machine regularity, machine exactitude, all of the things that have to do with machine production.

63

Here is the Bake-King (Indicating object) that Metallic began manufacturing. They began manufacturing and they ceased the manufacture of these, they ceased the manufacture of these before they terminated the license contract, and having ceased, in conformity with the contract itself, they were entitled to terminate the contract, and having ceased to manufacture anything that came under the patent, as we contend, they had the right to terminate. So they went ahead and manufactured this (Indicating).

Now, the outstanding characteristic of this Bake-King is irregularity. It is hard to conceive of anything that presents more the appearance of irregularity in the contour of these elevations and depressions than this does. It looks like it was made out of hammered material by

primitive methods of hammering. It looks like this art craft work that we are familiar with, that has come into vogue in the last few years. It looks in fact like a
64 piece of metal ware of which we will show to your Honor at the proper time a sample appearing in a book over at the Art Institute, that was published in 1908.

So that the object and purpose in the designing of this Bake-King was to recreate or reproduce that appearance of hammered metal. It was a popular item in popular estimation, to give that effect of an irregular primitive method of production, if you want to call it that; in other words you obliterate this appearance of machine production and produce something in which there was no element of regularity; at least the element of irregularity is far more predominant than any element of regularity in this. So we do not have anything in this, we contend, which meets any of these claims and particularly we don't have the character of separated depressions, small depressions which characterize Claim 6. These depressions flow or emerge or meander, if you want to call it so, one into another. There is no definite pattern. It is a hit and miss proposition and it was intended to be so, and the purchaser, the housewife would recognize it as so, she would recognize it as a pretty good simulation of art craft work.

I just want to refer for a moment now to the con-
65 tract itself, and particularly to Paragraph 14. The contract is found at the end of the answer filed by Katzinger.

The Court: Very well. I have read the contract.

Mr. Samuel W. Banning: You have?

The Court: It is referred to in the stipulation. I have also seen the exhibits that were previously filed, if that will hasten your opening statement.

Mr. Samuel W. Banning: All right. There is just this thought in the contract, in Paragraph 14, that I will direct a moment's attention to. This speaks about the right to terminate:

> "The Licensee may avail itself of this right to terminate only upon ceasing to manufacture, sell or distribute articles embodying or made in accordance with any of the licensed patents or applications, except as provided in Paragraph 9 hereof," which is not important.

"Should Licensee elect to terminate, as aforesaid, except as provided in Paragraph 9 hereof, without ceasing to manufacture, sell or distribute said article, it shall be estopped from denying the validity of said patent or patents, or any of them, and be deemed an
66 infringer thereof."

Now, on the question of our right to terminate and as to our right at least to terminate the estoppel which is referred to, counsel admits the contract has been terminated but claims that the estoppel continues—but that right traces back and necessarily hinges upon the question of whether this Bake-King constitutes an infringement of these patents or any of them. If it doesn't constitute an infringement, of course we were perfectly justified in exercising the right to terminate, and by the same token we are to be decreed not as infringers. We prevail, then, at least to the extent prayed in our pleadings for declaratory judgment, we to be held not to infringe, although the declaratory judgment petition goes further than that and asks that the patents themselves be held to be wholly invalid. But our right to terminate hinges directly on that question of whether his constitutes an infringement.

I might say that at this point I think it is perhaps proper to move the court to amend the answer to include two additional patents.

The Court: You mention them in your stipulation of facts.

67 Mr. Samuel W. Banning: Yes.

The Court: Is there any objection?

Mr. Merriam: None at all.

The Court: Motion granted.

Mr. Samuel W. Banning: I think that is perhaps a fair opening statement, your Honor.

The Court: Just one moment.

(Whereupon a short intermission followed.)

The Court: You may proceed.

Mr. Merriam: I hope to simplify this, your Honor, a great deal so that the points before you will be as full as possible and I think in order to do that, it is best to go back and review the history of this, in order to see how the controversy arose, and the controversy is admitted, and what the chronological order of evidence is, because that throws a great deal of light upon questions before you.

Incidentally, I have prepared these here, because I don't

think there is much controversy except on a few points. They set up proposed findings of fact, which was a little unusual to present in advance, but I want them before you, because I don't think there will be much doubt that those are what is going to be shown by the evidence.

The Court: You could wait until after the argument.

68 Mr. Merriam: I know, but I do not want to hide anything from the other side. They can know in advance what I expect to prove by each one of my witnesses.

The Court: All right. They have a copy of this?

Mr. Merriam: They have a copy.

Mr. Ephraim Banning: Yes.

Mr. Merriam: Prior to 1936, both Metallic and Katzinger were engaged in the manufacture of bakeware and they made customary pans, pie pans of this type that is called smooth ware and here is another sample of it, and sometimes they put on the edges of it a molding to shape the article which is to be baked therein, but these three samples are typical of what both parties made prior to 1936 and know that they made.

There were a lot of other people in the same business, of course. Then, in 1936, early in the year, the Katzinger Company came on the market with this material which is called Ovenex and they filed an application for a patent on it, and the patent was granted on it later. That is the patent in suit.

Now, within a few months after Ovenex came on the market, the plaintiff Metallic came on the market with

69 Bakerex, which is this (Indicating), and Mr. Banning says you can hardly tell the difference between them, if you can at all, and the Ovenex material had been marked "Patent pending" before the patent came out, and as soon as the patent came out, in April, 1937, notice was sent two days later to Metallic by Katzinger, notifying them that they were infringing and to cease. When that notice was received, Metallic requested a license and a form of license was discussed and ultimately mailed to Metallic by Katzinger in July of 1937, and that first license was on the usual form and did not have a termination clause in it of any kind.

I might say also that there was another company interested in getting a license, namely, the National Enameling Company in Milwaukee, which is referred to as Nesco, that is the name they are known by, and they were nego-

tiating for a license, and Katzinger agreed that whatever they would give, they would give equal licenses to both representatives. Negotiations were carred on with Metallic and sometimes with Nesco. At any rate, in July, 1937, both Metallic and Nesco wanted the ability to terminate the license, and we will show that various clauses were submitted and discussed, and that ultimately this Section 14 of the contract was worked out and that was

worked out only after discussions of the parties as
70 to what the rights under the contract were to be and
were intended, and over our plain insistence at all times that if they were going to litigate the patents, they would litigate them then and not later and by litigating the patents, it was clearly expressed at all times that we meant not only the question of whether the patents were valid but that whatever they did that came within any reasonable interpretation was to be an infringement, and to that end, this Clause 14 was added, and at the last minute this additional clause at the end was inserted, to the effect that if they terminate, that is, the licensee, "without ceasing to manufacture, sell or distribute said article, it shall be estopped from denying the validity of said patent or patents, or any of them, and be deemed an infringer thereof."

The Court: Therefore, we have a question of fact here as to whether or not the manufacture of this third patented equipment constitutes a continuation of the manufacturing of the article licensed.

Mr. Merriam: Yes, and if it is within any claim of the patent reasonably interpreted without reference to the prior art, then, it is within—

The Court: Which becomes a question of fact on
71 which I am going to require some evidence.

Mr. Merriam: That is right. Now, there are some additional contract points which are extremely interesting beyond that. In 1939, about May or June, the Metallic ceased the manufacture of the Bakerex line and it began the manufacture of Bake-King. Some genius discovered that Rex and King meant the same thing, I guess, and adopted that new name, and we will show you that—I might tell you at this point just how they are. Your Honor has probably seen these.

The Court: Yes. I went through the exhibits that were filed with the stipulation of facts.

Mr. Merriam: I just want to explain one or two things.

The Court: Very well.

Mr. Merriam: In making the Bakerex line the materials are passed through a roller once, with this effect (Indicating) and then that is made into the pan through drawing operation. In making the Bake-King line, the first pass is the same, and of course, that is identical with the Bakerex. They then pass it through a second time, which is still identical but at right angles. Then, they impress three or four Bakerex designs on it, so when they get through, they have six Bakerex designs at various
72 angles. And of course, each of those Bakerex lines conforms precisely with the claims. I might say at that point, as to the design patents in suit, we are not relying on patent Nos. 108,140 and 108,141.

The Court: They are not relied on?

Mr. Merriam: No. They are out.

The Court: Supposing you tell me what you will rely upon?

Mr. Merriam: All right. I am going to rely on all of the claims of the Jackson Patent which Mr. Banning discussed, Patent No. 2,077,757.

The Court: On all six claims in Patent No. 2,077,757?

Mr. Merriam: Yes.

The Court: Very well.

Mr. Merriam: And there is an interesting point with respect to the Design Patent No. 108,573.

The Court: Design Patent 108,140 is out.

Mr. Merriam: That is right, and Design Patent 108,141 is out. Two of them are out.

The Court: The defendant will rely on no claims of Design Patent 108,140.

Mr. Merriam: Of 108,140.

The Court: Now, that brings us to Design Patent 108,141.

73 Mr. Merriam: That is also out.

The Court: That is out also. The defendant will rely on no claims of Design Patent 108,141.

Now, you will direct your discussion to Design Patent 108,573.

Mr. Merriam: And on that I just want to point out this: It calls for an ornamental design for a sheet metal, not a baking tin but for a sheet metal for a baking tin and it is uncontroverted that on their first pass they produce exactly that sheet.

The Court: The stipulation of facts covers that.

Mr. Merriam: Yes. That is the stipulation. They never use that as a baking pan, because they add five other designs to it, but they make precisely that sheet, and we would not be entitled to any accounting but I think we would be entitled to an injunction to keep them from making exactly that thing.

The Court: So you are relying on Design Patent 108,573.

Mr. Merriam: To that limited extent.

That brings us back to the summer or the spring of 1939, when they began to make the Bake-King structure and as I say, at that time they ceased making the Bakerex and devoted their entire energies to the making of the
74 Bake-King. At the same time that they did that, they requested a reduction in royalty and the reason for their request was this: In the beginning, when the royalty was discussed and the 5 per cent agreed upon, Metallic requested that a price be established so that they would be able to charge 5 per cent more for the patented device than they did for their plain tinware which they continued to sell; otherwise, they said they couldn't afford to compete, and that agreement was put in and the price was fixed at approximately 5 per cent higher on the patented line, then, than on the other, so their license did not cost them anything. And they later maintained that they did not want to maintain that difference and did not want to do so and requested that the royalty be cut and that the price difference be eliminated, and there was some discussion about that. By that time, of course, the Bake-King was on the market and we were charging that they should pay royalties on that.

In October, 1939, with that Bake-King on the market and Bakerex off, at least off so far as the production was concerned, this modification of the contract was agreed upon, and that was accomplished by two letters, each dated October 20, 1939, one of which is already in evidence
75 in the stipulation and constitutes the modification itself, and another which accompanied it and is a covering letter which reads as follows:

"I enclose herewith letter in duplicate which will serve as an amendment to our Ovenex license agreement, dated October 1, 1937—this in accordance with the arrangement made by you with Mr. Arthur Katzinger.

"So that we may be in a position to check your reports, I will appreciate your advice as to whether in the future you will prefer to include in a single report the sale of pans marketed by you both under the name of 'Bakerex'"

they were still selling,

"and 'Bake-King' or whether you would prefer to make separate reports for each brand name.

"We also call your attention to the provision of Paragraph 6 requiring you to mark the pans sold by you with the patent number. Several samples that we have seen do not show our patent number marking. We sent you a letter under date of November 1, 1937 on this subject.

"Please execute one of the copies covering the
76 revision and return to us, retaining the other for your files."

Now, knowing that that was the interpretation that we put on that license agreement, that we considered Bake-King within it, and they themselves having asked for a reduction, they signed that modification and returned it to us without a single comment, and as I say, I have the cases to support this, and many of them, that where one party signs a contract and, of course, the modification creates a new contract, where one party signs a contract knowing that the other puts a particular interpretation upon it which is a reasonable interpretation, the other party is bound by that interpretation and may not contest it.

So I say here that we have a plain contractual admission that the Bake-King is within that license agreement and is something covered by it.

Now, they went along and they did not pay royalties on it. We kept asking them to, and finally we brought suit in the state court and they brought this suit in the federal court.

In between the time the state court case was started and the time this one was started, they filed a notification
77 of termination in February, 1941, and we challenged their interpretation with their right to cancel at that time, because of the inconsistency between one clause saying that they can't terminate unless they stop and the other one saying that if they do stop and haven't terminated, they should be estopped, and that was decided against us,

that they have the right to terminate regardless of whether they stopped or not.

So in this case we admit the license is terminated but under Clause 14 they are estopped to dispute both validity and infringement, and I have no quarrel with Mr. Banning about the ordinary rule of infringement, namely, that given by the Sinko case—that happened to be our case, and we represented the licensee in that case—and ordinarily the patentee, the infringer or the licensee can show the scope of the claims. Just how far he can show it, I don't know. He certainly can show it where his device is substantially identical with what he was making before, but in some cases he can. In this case we claim he cannot because of the estoppel and because of the contractual agreement and understanding that Bake-King was within the modified license agreement.

Now, on the Jackson Patent which is in suit, on
78 which I just wish to say a few words, while they are estopped to deny this, I want to show you that actually they were clearly within it anyway and of course, as is always the case, the infringer accentuates the differences and neglects to point out the similarities.

The Jackson Patent represented the first real change in the baking pan art in a good many years, and the patent itself sets out some six advantages accomplished by means of the patent, and you will find those mostly on page 1, in the first paragraph on Page 1:

> "This invention relates to baking pans and the material from which they are made, whereby the pan will present a pleasing and appealing appearance,"

That is one.

> "will not be easily scarred or marked,"

That is another.

> "and will have increased strength and resistance to denting and warping."

because of the slight arching.

> "It also contemplates a pan wherein the grease, if any, used in baking will be evenly distributed over the inner surfaces of the pan and the pan surfaces in
79 direct contact with the dough therein will be increased to improve the bake."

Then, later on, over in the second column, at about line 23, it goes on and says:

"By having the alternate depressions and projections over the surface of the pan wall or walls, the heating surface contacting with the contents of the pan is materially increased and there is a more uniform distribution of the grease over the entire pan surface."

Now, what did Metallic have to say about its Bake-King line? In the first place, we advertised in our advertisements the same points which are stated in the patent, and they did the same thing on their Ovenex and when it came to the Bake-King—I mean their Bakerex—we find here a big ad and on the back, we find:

"UTILITY

1. *Bakes Better*
Better Heat Distribution",

right from the patent, and

2. *Bakes Faster*
Greater Heat Radiation and Conduction,"

right from the patent.

3. *Uniform Brown Bottom Crusts*
No Flowing of Grease to Corners
4. *Better Shaped Loaves*
More uniform Volume."

80 That comes from the same thing.

5. *Stronger*
Irregular Design of Metal Provides Strength",

precisely in the patent.

6. *Easy to Clean*
No burnt Spots—No Sticking."

Also from the patent.

Over here (Indicating) it states:

"COUNTER FLASH

1. Sparkles Like A Jewel.
2. Puts Life On Your Counter
3. Attracts the Customer
and
Makes A Sale"

The next is:

"BEAUTY.

1. Rivals Hammered Silver
2. Matches Modern Kitchens
3. Pleases the Eye and
Is Different

The hammered silver is the only thing there that is different. All the rest is exactly what the patent claimed to have accomplished and what we claimed to have accomplished by our material and what they claimed to have accomplished by their Bakerex. In so far as the claims go, there is no
81 doubt that any one of the claims can be read on them.

If we take the definition of the claims, which is established by Ovenex, which they admit is in it, in Bakerex, they put in the same impressions, all the same size, if you are worried about the size, it is the same size. If the "small" means anything, it is this size; they just put six times as many. If you are worried about two directions, instead of two they have at least six, and these show up different directions like a corn field, if you look at them at the right angle you see the different directions and of course they are there, they admit it.

Incidentally, there is one way of—if your Honor will look very closely at the back of one of those structures, you will see that there are a series of little score marks, they look like crows' feet, about an eighth of an inch long and very slightly indented into the sheet. One of those lines—it is a broken line. One of those lines is applied each time that it is passed through the rolls. So if you follow the lines of score marks, you can tell how many times it has been through the rolls and you can also line up your rolls and depressions and projections, and I found that that is the easiest way for me to show just what they have done,
82 and if you take the sheet which has gone through once, twice, three, four, five, six times, you can check that up.

So we claim the claims call for alignment in these two directions, in the first five. In the last one they do not call for any alignment. In the rest of them, the character of impressions are exactly the same. So, on the claims we think there is no question but what they can cover this Defendant's and we think they do under any construction.

Mr. Samuel W. Banning: May I say just one word about counsel's theory of estoppel here, because I think it is very important.

The Court: I don't want you to argue the case now.

Mr. Samuel W. Banning: Well, he is asking for estoppel.

The Court: I am prepared to state my views on the subject now, gentlemen.

The situation here apparently is that the petitioner or plaintiff bringing this declaratory judgment complaint is

asking for certain relief, declaring the patents of the defendant, certain of them invalid, and contending that it is not an infringer thereof.

Now, the defendant, the Katzinger Company here sets up, first, that its patent is valid, that the Jackson
83 Patent is valid, and secondly, that the Metallic Company, the petitioner herein, is estopped from denying the validity of it by reason of this contract, now, even though it admits that the contract has now been terminated. Do I correctly state the issues?

Mr. Merriam: The license has been terminated.

The Court: The license, that is right. When I say contract I am referring to the license contract. Now, whether or not such estoppel applies here is a matter of legal conclusion. I am not going to make snap judgment on that in admitting evidence in this trial. That is something that I want reserved for legal determination, at the conclusion of the trial, and after I read your briefs and read the authorities therein stated. We will not have oral argument at the conclusion of the trial, because I prefer to read the cases myself than to have portions of them read to me.

I, therefore, at this stage of the case, direct the defendant Katzinger Company to assume the burden of proof as in ordinary patent case, proving or putting in whatever evidence factually that they care to, on the matter of estoppel, as well as on the matter of validity and infringement,
84 following which I will hear whatever proof Metallic cares to offer, both on the subject of invalidity and on the subject of not having been estopped by reason of the license.

Then, I will hear in rebuttal whatever Katzinger company cares to present, following which, gentlemen, neither of you have waived any of the points which you have made in this oral argument, all of which points will be reserved to the court to be determined factually and legally, after you have filed briefs and argument, upon conclusion of the evidence. Do I make myself clear?

Mr. Merriam: Yes.

Mr. Samuel W. Banning: It is perfectly clear.

Mr. Merriam: Except this—

The Court: Yes, I will hear anything you have to say.

Mr. Merriam: It might have been also included in your statement: We claim not only estoppel as to validity, but as to infringer [illegible]t.

The Court: I understand that. I intended to include that in my statement.

Mr. Banning: I understand that under your ruling, we will put in tentatively or provisionally at least such prior art as we are relying on.

The Court: Exactly, I want that in, because if I
85 determine that their defense of estoppel is not good, then I want to go further and determine the other issues in the case without having a further trial. Therefore, I will receive all the evidence at this time and I think by making that ruling now, it makes it much easier.

Now, how long will it take to put in your evidence, realizing that you will not make closing arguments? Judge Barnes has called a meeting of the judges at noon. We will reconvene here at two o'clock this afternoon. Now, you are going to start first.

Mr. Merriam: I should think I would be through in an hour or slightly less.

The Court: Then, how long will you take, Mr. Banning?

Mr. Ephraim Banning: I would say no more than an hour.

The Court: Very well.

Then, you will have something to offer after we hear from them?

Mr. Merriam: It may be so.

The Court: Do you want to take a five minute recess at this time?

Mr. Merriam: All right.

(Whereupon a short recess was taken.)

Mr. Merriam: I assume, your Honor, before start-
86 ing this testimony, that the stipulation is now a part of the record and does not need any formal offer.

The Court: Yes, it has been filed as of May 19, 1942 and will be considered by the court as evidence in this case.

Mr. Merriam: Of course, in view of that, I will condense matters.

The Court: Yes, I so anticipate it, and I appreciate the cooperation of counsel in getting as many facts as they did in the stipulation of facts. It saves the court's time, and I have read it already and will have it mind while you are examining the witness.

(Whereupon the Respondent, Edward Katzinger Company, to maintain the issues on its behalf, offered and introduced the following evidence, to wit):

87 M. KING SCHRAGER, called as a witness on behalf of the Respondent, being first duly sworn, was examined and testified as follows:

Direct Examination by Mr. Merriam.

Q. 1. Will you state your name?

A. M. King Schrager.

The Court: What is the middle name, King?

A. King.

The Court: How do you spell your last name?

A. S-c-h-r-a-g-e-r.

Mr. Merriam: Q. 2. What is your occupation?

A. I am an officer and director of Edward Katzinger Company, manufacturers of metal tinware.

Q. 3. That is the defendant in this case?

A. Yes, sir.

The Court: Q. 4. What office do you hold?

A. Secretary.

Mr. Merriam: Q. 5. How long have you been connected with that company?

A. 9 years.

Q. 6. Are you a lawyer admitted to the bar?

A. I have a license and did practice.

Q. 7. Will you state what if any line of tinware the Katzinger Company made prior to 1936, with reference particularly to baking ware?

88 A. A commodity known as plain tinware.

Q. 8. I show you a pan, which I will ask the reporter to mark later as Defendant's Exhibit No. 1, and ask you if that is a sample of your plain tinware?

A. That is a representative sample of the line.

Mr. Merriam: I offer that as Defendant's Exhibit No. 1, your Honor.

The Court: It may be received.

(Said pan, so offered and received in evidence, was marked Defendant's Exhibit No. 1.)

Mr. Merriam: Q. 9. Will you state approximately how many different items of such plain tinware you made prior to 1936?

A. Between 150 and 200.

Q. 10. Will you state whether there were other companies engaged in the same business?

A. There are and were.

Q. 11. At that time, did the plaintiff Metallic also make a line of plain tinware?

A. Substantially the same line.

Q. 12. I show you another pan which is marked "Ovenex", which I will ask the reporter to mark as Defendant's Exhibit No. 2 for identification.

(Said pan was thereupon marked Defendant's Exhibit No. 2 for identification.)

89 That is a pan made by the Katzinger Company, is it?

A. It is.

Q. 13. Will you state when the Katzinger Company first came on the market with its Ovenex line?

A. In January of 1936, it was introduced to the trade.

Q. 14. Of what did the Ovenex line consist, that is, compared to the smooth ware?

A. With comparatively few exceptions it was a duplication of the plain tinware line.

Q. 15. Did you continue your plain tinware line, also?

A. We did.

Mr. Merriam: I offer that as Defendant's Exhibit No. 2, your Honor.

The Court: It may be received.

(Said pan, so offered and received in evidence, was marked Defendant's Exhibit No. 2.)

Mr. Merriam: Q. 16. After you came on the market with Ovenex, will you state whether the Metallic company made any new line of tinware?

A. Both Metallic and the National Enameling & Stamping Company introduced similar lines within a few months after we were on the market.

90 Q. 17. What did the Metallic call its line?

A. Bakerex.

Q. 18. I show you a pan marked Exhibit 17, which was attached to the Stipulation and ask you if that is a sample of the Bakerex line?

A. It is.

Q. 19. Incidentally, will you state whether your Ovenex line during the year 1936 or any part thereof bore a reference to the pending patent application?

A. Before the patent issued, we had labels on the Ovenex line with the legend on it that applications for patents were pending.

Q. 20. The Jackson patent in suit shows that it was issued on April 20, 1937. At that time was the Metallic Company still making its Bakerex line?

A. It was.

Q. 21. Will you state what if anything you did about it?

A. Upon the issuance of the patent, I sent them a notice, together with a copy of the patent. I believe we asked them to cease manufacturing.

Mr. Merriam: Mr. Banning, have you found the original of that notice?

Mr. Ephraim Banning: No.

Mr. Merriam: Q. 22. I show you a letter dated
91 April 22, 1937, Mr. Schrager, and ask you what that document is.

A. That is our copy of the letter which was sent to Metallic by registered mail.

Q. 23. And there is a card attached to it. Will you state what that is?

A. It is a return receipt signed by Metallic, showing receipt on April 23rd.

Q. 24. Will you read the letter?

A. "April 22, 1937

"Chicago Metallic Mfg. Co.
3711 S. Ashland Ave.
Chicago, Ill.
Gentlemen:

Your brand of tinware marketed under the name of Bakerex is identical with our line of tinware marketed under the name of Ovenex which we introduced to the trade.

We hold U.S. Patent No. 2,077,757, a copy of which is enclosed herewith.

Your goods directly infringe the claims of this patent.

We, therefore, respectfully request that you immediately discontinue the manufacture and sale of the goods referred to, and that you also consider yourself
92 and your customers strictly and fully accountable to us for any and all sales from and after April 20, 1937, of tinware of this kind.

Kindly acknowledge receipt of this notice.

Yours very truly,
Edward Katzinger Company,
M. King Schrager, Sec'y."

Mr. Merriam: I offer that as Defendant's Exhibit No. 3 and the receipt attached as Defendant's Exhibit 3-A.

The Court: They may be received.

(Said documents, so offered and received in evidence, were marked as Defendant's Exhibits 3 and 3-A.)

93 Mr. Merriam: Q. 25. Will you state whether you received a response to that?

A. We received no written response to that letter.

Q. 26. Did you receive any verbal, oral response?

A. We had some conversations. Both Mr. Katzinger and myself had some conversations with the Metallic Company with respect to this patent.

Q. 27. With whom did you discuss the matter with Metallic?

A. I discussed it with Mr. Albert Cohn.

Q. 28. Was there more than one of those discussions?

A. I had several discussions with him on the telephone. We had one discussion at a meeting.

Q. 29. When did those discussions occur?

A. I believe the first one was sometime in the month of May or June of 1937.

Q. 30. Will you state what you said and what Mr. Cohn said at that time?

A. Mr. Cohn expressed some doubt as to the validity or effectiveness of our patents. We said that the patent application had been prosecuted and the patent issued and we intended to enforce it. Mr. Cohn then asked whether or not we would consider granting a license under the patent. Mr. Keating, who was present at one of those meetings—

Q. 31. Who is Mr. Keating, by the way?

94 A. Mr. Keating is Mr. Katzinger. (Continuing) He indicated that he would—Some discussion arose as to whether or not a license would be granted to other manufacturers, and we stated that if any license was granted to any tinware manufacturer, licenses on identical terms would be made available to all other tinware manufacturers.

After that, there was a meeting at which representatives of both the Metallic and the National Enameling & Stamping Company were present. I believe at that same meeting or at a subsequent meeting, Mr. Walter Schlueter from

Schlueter Manufacturing Company of St. Louis, who were also manufacturers of tinware, was also present.

Q. 32. How do you spell Schlueter?

A. S-c-h-l-u-e-t-e-r.

Q. 33. After these discussions, was a license agreement drawn up?

A. We had agreed to grant licenses to both Metallic and National Enameling and Schlueter, and afterwards, in the month of July I believe it was, of 1937, I submitted through the mail to both Metallic and National identical drafts of the license agreement.

Mr. Merriam: Do you have that draft here, Mr. Banning, the original draft?

Mr. Ephraim Banning: No.

Mr. Merriam: Q. 34. Will you state, Mr. Schrager,
95 whether the original draft submitted in June or July contained any clause by which the licensee could terminate it?

A. It did not.

Q. 35. After the first draft was submitted, was there any further discussion of the license with Metallic?

A. I had no further discussion myself with him until the fall of that year. We have a plant in England and Mr. Keating had gone over to the English plant. A letter I believe had come in from Milwaukee, from the National Enameling people, asking for reconsideration of the agreed royalty of 5 per cent to 2½ per cent. Mr. Keating himself had originally set the 5 per cent royalty factor. I did not feel at liberty to pass judgment on that. So the matter was held up until Mr. Keating returned from Europe. Upon his return, we advised them that the 5 per cent royalty would have to remain effective. It was after that correspondence that we again began to examine or to negotiate the final draft of the license agreement as it was finally executed. I talked with Mr. Cohn about the license agreement and he said to me that whatever was satisfactory to the National people would be satisfactory to Metallic. Shortly after that conversation, I believe this was sometime either late in August or in September of 1937, we received a letter from a firm of lawyers in Milwaukee representing National, enclosing a draft of
96 a termination clause to be added to the license agreement. I communicated by long distance telephone with Mr. Harland of I think the firm's name was Miller, Mack

& Fairchild at Milwaukee representing National, and discussed with him on the telephone the suggested draft of a termination clause and explained to him the reasons why the form submitted by them was not acceptable to us.

Q. 36. Will you say what was said?

Now your Honor, I realize this was with a third party, but I am going to hook it up.

Mr. Samuel W. Banning: Your Honor, I do not see the relevancy of all these preliminary negotiations. The contract is not ambiguous. It speaks for itself.

The Court: Why do you go into that?

Mr. Merriam: Your Honor, I think the contract is ambiguous, quite definitely, because in the first place it says they cannot terminate under certain circumstances, and yet if they do terminate under those circumstances certain things happen.

The Court: Very well. I will permit it. You may continue.

The Witness: What was your question, Mr. Merriam?

Mr. Merriam: Q. 37. You referred to discussion with the National Enameling Company attorney, and I asked what was said about that clause between you?

97 A. I said to Mr. Harland that if there was to be a termination clause in the contract, it would have to be on such a basis so that if either of the licensees terminate or attempted to terminate the license, everybody would be restored to the position they were in before the license agreement was made, that they couldn't take a license from us and leave the question open for any time in the future with respect to whether or not the patents were any good, that if we were going to litigate the patents we would litigate them before we made any contracts.

I reported afterwards to Mr. Cohn by telephone that conversation with Mr. Harland and told him that I had agreed in principle with Mr. Harland on the form of such clause.

Q. 38. Did you add the clause at the end of Section 14? Will you read the last sentence of Clause 14 and state how and when that came into the contract?

A. Well, the sentence beginning with "Should Licensee elect to terminate, as aforesaid" was put in at my insistence, after I had discussed with Mr. Harland the clause which he had submitted, which I had in turn submitted to our patent counsel and was still not satisfied that the ques-

tion was fully covered as to what would be the status of the parties in the event anybody elected to terminate the license.

98 Q. 39. Was anything said at that time about the meaning of the term "and be deemed an infringer thereof", to Mr. Cohn?

A. I recall no distinct conversation with him on that particular clause, except the general report to him of the discussion that I had had with Mr. Harland and that the draft of the license agreement was to be amended to take care of that type of termination clause, Clause 14.

Q. 40. After those discussions, the contract was signed, was it?

A. It was signed by National first and immediately upon its execution by National I forwarded identical copies, with the statement of the fact that it had been executed by National and was in identical form, to Metallic, and it was executed by Metallic and returned to me within a day or two thereafter.

Q. 41. After the agreement was executed, the Metallic Company did pay royalties thereunder for some time, did they not?

A. Correct.

Q. 42. Are you aware of when the Metallic Company first came on the market with its product Bake-King?

A. I can't place it exactly, but I think it was either in the middle or in the fall of 1939.

Q. 43. Well, the stipulation shows that it was
99 either in May or June of 1939, I believe. Does that refresh your recollection at all?

A. If that is the stipulation, that is the time. I would not get notice of their Bake-King line until after the fact of its having been introduced was made known to us through trade channels.

Q. 44. Do you know when the Metallic Company ceased its listing of the Bakerex line?

A. I would have no knowledge on that, Mr. Merriam.

Q. 45. Now, referring to the modification of the contract which occurred October 20, 1939, did you have anything to do with the negotiation of that modification?

A. I was present at one meeting at which the discussion of the reduction in royalty was had, and afterwards, on Mr. Keating's instructions, I prepared the modification and forwarded it both to Metallic and to National, to

amend that paragraph of the license which called for 5 per cent, reduced it to 2½ per cent.

Q. 46. Will you state what was said? In the first place, when was this conference and with whom?

A. There was a meeting at the Standard Club I believe, at which both the Chicago Metallic Company was represented I know by Mr. Cohn and I believe by one of the Debs, either Senior or Junior, I don't know which, and Mr. Altemeir of National Enameling. Some complaint
100 was made. There seemed to be some dissatisfaction.

Q. 47. Will you say who said these things and what was said and their words?

A. Well, there was a reference to a 5 per cent royalty under this agreement, and it was difficult to substantiate a differential in the trade in prices between the Ovenex, in our case Ovenex and the plain tinware and in the case of Metallic with their Bakerex or Bake-King and their plain tinware, and the thought was expressed generally that sales of the embossed tinware could perhaps be stimulated further if the price were made the same as the plain tinware, and we agreed to the reduction of the royalty from 5 to 2½ per cent.

Mr. Merriam: Q. 48. Will you go back, Mr. Schrager, and explain what was done under the price clause of the original license agreement?

A. Immediately after the—certainly within a few days after I received back from National and from Metallic signed copies of the license agreement, I forwarded to them copies of our price lists establishing the minimum prices on our Ovenex line. That would be sometime in October, perhaps it might have been in the early part of November, of 1937.

Q. 49. How did that price list compare with the price list on plain tinware?

101 A. There was substantially a 5 per cent differential in the prices between the Ovenex and the plain tinware.

Q. 50. Will you state whether or not that difference had been requested by Metallic?

A. At the time of the original negotiations, both Metallic and National wanted a differential so as to equalize substantially the amount of royalties that they would be required to pay under the license.

Q. 51. Was that the differential which in 1939 they said they found it difficult to maintain?

A. Well, I think everybody was dissatisfied with the volume of sales and everybody was hopeful that sales could be further induced by making the price equal to the plain tinware.

Q. 52. On October 20, 1939, it is already in the record, this modification was entered into by means of a letter on that day. I show you another letter dated October 20, 1939 and ask you if you can identify that?

A. That is our office copy of a letter that I sent to Metallic under that date.

Mr. Merriam: Mr. Banning, you have not been able to find the original of that letter either?

Mr. Ephraim Banning: I have not. I have a copy of my own, but not the original.

The Court: You have a copy, Mr. Merriam?

102 Mr. Merriam: Yes. Do you want to see it?

The Court: Yes.

Mr. Merriam: I was just going to give you this. I was not sure whether you wanted it or whether you wanted me to give it to Mr. Banning.

Q. 53. I will ask you to read that in the record?

A. "October 20, 1939

"Chicago Metallic Manufacturing Co.
3711 S. Ashland Avenue
Chicago, Illinois

Gentlemen:

I enclose herewith letter in duplicate which will serve as an amendment to our Ovenex license agreement, dated October 1, 1937—this in accordance with arrangement made by you with Mr. Arthur Katzinger.

So that we may be in a position to check your reports, I will appreciate your advice as to whether in the future you will prefer to include in a single report the sale of pans marketed by you both under the name of "Bakerex" and "Bake-King" or whether you would prefer to make separate reports for each brand name.

We also call your attention to the provision of Para-
103 graph 6 requiring you to mark the pans sold by you with the patent number. Several samples that we have seen do not show our patent number marking. We sent you a letter under date of November 1, 1937 on this subject.

Please execute one of the copies covering the revi-

sion and return to us, retaining the other for your files.

Your very truly,
Edward Katzinger Company,
M. King Schrager, Secretary."

Mr. Merriam: I offer that as Defendant's Exhibit No. 4.

The Court: It may be received.

(Said document, so offered and received in evidence, was marked Defendant's Exhibit No. 4.)

104 Mr. Merriam: Q. 54. Does that refresh your recollection, Mr. Schrager, as to whether they were on the market at that time with Bake-King?

A. It does.

Q. 55. Do you remember now how much before that time you had become familiar with that fact?

A. It must have been several months.

Q. 56. That letter was mailed by your office to Chicago Metallic?

A. It was.

Q. 57. And with that you sent two copies as it says, of the letter of October 20, 1939, which contained the modification?

A. That is correct.

Q. 58. Did you receive one of those back?

A. I did.

Q. 59. How soon thereafter?

A. By return mail.

Q. 60. Did you have any other word except the returned letter at that time from Chicago Metallic?

A. I did not.

Q. 61. I show you an advertisement having on its cover in large print the name Ovenex and ask you if you will state what that is and in so doing, disregard any pencil notations thereon?

105 A. It is a circular describing our line of Ovenex, prepared by the advertising department of our company and distributed to the trade.

Q. 62. Do you know how early that advertisement was put out?

A. I believe it was very early in 1936.

Mr. Merriam: I offer that as Defendant's Exhibit No. 5. Is there any objection?

The Court: It may be received. You have seen all of these, I take it?

Mr. Merriam: You have seen it.

Mr. Ephraim Banning: I have not.

Mr. Merriam: I thought you had seen this, Mr. Banning.

We have seen almost everything each other has.

The Court: Yes, I assume that you have, or I would not have ruled on it without your looking at it.

Mr. Ephraim Banning: Well, let us assume there will be no objection.

The Court: Very well.

Mr. Merriam: These are old advertisements and we do not have many around.

The Court: I do not need copies. Just put them in the record. I will look at all of them later. Exhibit 5 may be received.

(Said document, so offered and received in evidence, was marked Defendant's Exhibit No. 5.)

106 Mr. Merriam: Mr. Banning, you have given these Bakerex ads to me. I assume that there is no objection to my getting those in at this time.

Mr. Ephraim Banning: These are correct copies and no objection.

Mr. Merriam: I offer these two ads, the one marked Bakerex No. 38 as Defendant's Exhibit No. 6—

The Court: It may be received.

Mr. Merriam: (Continuing) And the one marked Bakerex Stipple-Ware, as Defendant's Exhibit No. 7.

The Court: It may also be received.

Mr. Merriam: Do you wish to see those, your Honor?

The Court: No.

(Said documents, so offered and received in evidence, were marked as Defendant's Exhibits Nos. 6 and 7.)

107 Mr. Merriam: We have here your Honor, some depositions which the reporter, owing to certain changes, was not able to mail in in time and while I do not think that I will read anything from them, I would like to have them filed, to keep the record, because we did take them, and then I would like to use this advertisement from the depositions, which is admittedly the advertisement of the other side.

The Court: The original has not yet come in?

Mr. Merriam: Here are the original depositions. I have the original in my possession.

The Court: I see.

Mr. Merriam: And I would like to have your Honor direct the clerk to file it.

The Court: It there any objection to that?

Mr. Merriam: This is the original of the depositions of Mr. Debs, Mr. Langel and Mr. Cohn.

Mr. Ephraim Banning: No objection.

The Court: Very well. It may be received at this time. The clerk is directed to stamp the same filed as of this date.

(Whereupon the clerk stamped said depositions Filed May 27, 1942.)

Mr. Merriam: The depositions not being sealed, we do not need an order to open them.

The Court: No.

108 Mr. Merriam: Mr. Banning, I would like to offer at this time the advertisement of the Bake-King line which is attached to these depositions.

The Court: Are you putting the depositions in evidence?

Mr. Merriam: No, sir.

The Court: Just the exhibit?

Mr. Merriam: Just the exhibit.

Mr. Ephraim Banning: No objection.

The Court: It may be received. Give it a number.

Mr. Merriam: Mark that as Defendant's Exhibit No. 8.

(Said document, so offered and received in evidence, was marked Defendant's Exhibit No. 8.)

109 Mr. Merriam: Q. 63. Mr. Schrager, after October 20, 1939, did you have any further discussions either by writing or orally with Metallic concerning Bake-King?

A. I had some telephone conversation with Mr. Cohn, and my recollection is that in January of 1940 I wrote them again, calling their attention to lack of reply to my letter of October and that no reports or royalties had been received on the sale of Bake-King.

Q. 64. And did you from time to time repeat your request for royalties?

A. I did at one of those conversations, and I believe it was early in 1940 Mr. Cohn said that they were not yet certain, they were going to seek the advice of some lawyers as to whether or not they were required to pay royalties on Bake-King.

Q. 65. Ultimately the Katzinger Company brought suit in the state court for those royalties?

A. That is correct.

Q. 66. And that was prior to February, 1941, when the notice of termination was given?

The Witness: The conversation?

Mr. Merriam: Q. 66. No. The suit?

A. Yes. Yes. Our suit was filed before any notice of termination was received by us.

The Court: We will have to suspend at this time
110 until two o'clock this afternoon.

(Whereupon an adjournment was taken until 2:00 o'clock P. M. of the same day, Wednesday, May 27, 1942.)

111 In the District Court of the United States

* * (Caption—2647) * *

Before Honorable William J. Campbell, Judge,
Wednesday, May 27, 1942,
2:00 o'clock P. M.

Trial resumed pursuant to adjournment.

Present: Mr. Ephraim Banning, Mr. Samuel W. Banning, Mr. Marcus A. Hirschl, Mr. Charles J. Merriam, Mr. Stanley Hoods.

The Court: You may proceed.

M. KING SCHRAGER, resumed the witness stand on behalf of Edward Katzinger Company, Respondent, was examined and testified further as follows:

Direct Examination (Continued) By Mr. Merriam.

Q. 67. Mr. Schrager, there was one question this morning which you and I discussed during the noon hour. The question was:

"You referred to discussion with the National Enameling Company attorney, and I asked what was
112 said about that clause between you?"

And you answered:

"I said to Mr. Harland that if there was to be a ter-

mination clause in the contract, it would have to be on such a basis so that if either of the licensees terminate or attempted to terminate the license, everybody would be restored to the position they were in before the license agreement was made, that they couldn't take a license from us and leave the question open for any time in the future with respect to whether or not the patents were any good, that if we were going to litigate the patents we would litigate them before we made any contracts."

Then it goes on some more.

Is there any comment you wish to make about that statement?

A. Yes, sir.

Q. 68. Will you state what it is?

A. The reference in the answer to restoration of the previous position was that they would go back to the production of the type of tinware they made before we introduced Ovenex on the market.

Q. 69. Now, at the present time are there any other concerns making a line of tinware similar to Ovenex or Bake-King than yourselves, National Enameling Com-
113 pany and Metallic?

A. No, sir.

Q. 70. The National Company is still licensed by you and is still paying royalties?

A. Yes, sir.

Mr. Merriam: Mr. Banning, I am not quite sure that it is covered in the stipulation, but I believe you are willing to agree that Bake-King has been on the market continuously ever since you first offered it?

Mr. Ephraim Banning: That is correct.

The Court: Very well.

Mr. Merriam: Q. 71. Mr. Schrager, concerning the price restriction in the contract of October, 1937, as modified in 1939, will you state whether or not you ever offered to withdraw that restriction after the execution of the contract?

A. I did.

Q. 72. When did that occur?

A. At the time that I was discussing with Mr. Cohn the amendment to the license agreement, and before that time some complaint had been made about that and we said that it was put in at the request of the licensees and any

time they desired it removed we would be glad to remove it.

Q. 73. Have you kept that offer open up to the time that the license was terminated?

114 A. Yes, sir.

Mr. Merriam: That is all.

The Court: Cross examine.

Cross Examination by Mr. Samuel W. Banning.

XQ. 74. Mr. Schrager, I believe that you sent this notice of infringement to the Metallic Company on the same day you received notice from the Patent Office of the issuance of the patent, did you not?

A. Either on the same day or within a day or two.

XQ. 75. The patent was issued April 20, 1937 and the notice was sent out on the 22nd. That would indicate that it was the same day you received the patent, would it not?

A. I think so.

XQ. 76. Yes, and about how long after that was it before you got any response of any kind from anyone representing the Chicago Metallic Company, in response to that notice of infringement?

A. I think it was at least 30 or 60 days.

XQ. 77. That is I am referring now to either an oral or a written response.

A. I had had conversations with Mr. Cohn prior to the actual registered notice, when we advised him—I had advised him that our patents were pending, for patents

115 on Ovenex.

XQ. 78. But after the patent issued and after notice was sent, you had no discussion or written communication of any kind in response to that notice of infringement for about you say 30 or 60 days?

A. I don't believe we ever received any written response. We did have telephone conversation and a meeting or two within that 30 or 60 day period.

XQ. 79. Well, when was the first meeting at which the matter was taken up for discussion?

A. It was I would say between 30 and 60 days after the issuance of the patent.

XQ. 80. That would be somewhere between May 20th and June 20, 1937?

A. I would say so, yes, sir.

XQ. 81. And what was the occasion of that meeting? Who called the meeting?

A. I can't tell you that. It was undoubtedly arranged as a result of some telephone conversations. We wanted to know what position Metallic was going to take with respect to our patents.

XQ. 82. Where was the meeting held?

A. One of the meetings was held at the Standard Club.

XQ. 83. And was that the first meeting?

116 A. I think the first meeting—the personal meeting was at the Standard Club, with Mr. Cohn and I think Mr. Altemeier of the National Company was also present.

XQ. 84. Was a representative of the St. Louis Company present?

A. I don't believe so.

XQ. 85. What is the name of that company in St. Louis?

A. The Schlueter Manufacturing Company.

XQ. 86. How do you spell it?

A. S-c-h-l-u-e-t-e-r.

XQ. 87. No representative from the Schlueter Company was there?

A. I don't believe they were at that first meeting.

XQ. 88. And at that time did you make a proposal that you license the Chicago Metallic and also the National Enameling & Stamping?

A. Yes, sir.

XQ. 89. And it was proposed at that time that the license should contain price fixing provisions, wasn't it?

A. No, sir.

XQ. 90. Well, how soon did the question of price fixing restrictions come up?

A. There were no provisions or discussions with respect to price fixing. There was an agreement to maintain a

117 differential between the Ovenex and the plain tinware to take care of the 5 per cent royalty which had been agreed upon that Metallic and National should pay.

XQ. 91. Wasn't the agreement that the Chicago Metallic should follow the line of prices that was established by Katzinger?

A. The only agreement was that we would establish minimum prices at which Ovenex or tinware simulating Ovenex could be sold. That was the arrangement.

XQ. 92. And the arrangement was expected to cover and did cover the Bakerex that was being put out by the Chicago Metallic.

A. That was the product which they then marketed.

XQ. 93. And the clause with reference to maintenance of prices was intended to and did apply to Bakerex, did it?

A. Yes, sir.

XQ. 94. Now, that matter went on for some time and when was it that you first learned that the Chicago Metallic was putting out the Bake-King line?

A. I think in the summer of 1939.

XQ. 95. And when that matter first came to your notice, did you address any kind of a communication to the Chicago Metallic with reference to this new line that they were putting out?

A. I had discussed it with them, with Mr. Cohn on
118 the telephone and had afterwards covered it in my letter of October 20th.

Mr. Samuel W. Banning: Have you a copy of that letter of October 20th?

Mr. Merriam: The reporter has them all.

Mr. Samuel W. Banning: All right.

XQ. 96. That was the letter in which you inquired whether they preferred to make separate reports on each of the two lines, wasn't it?

A. That is correct.

XQ. 97. And at that time you knew that they were still continuing to market Bakerex line?

A. I had no knowledge that they were not.

XQ. 98. Well, you assumed that they were, I presume, in writing the letter?

A. That is correct.

XQ. 99. They never paid you any royalties whatever on the Bake-King line?

A. No, sir.

XQ. 100. They never stated they were going to pay you any royalties on it? Did anybody connected with the Chicago Metallic? They never gave you any assurance that royalties would be paid on that line, did they?

A. Well, I never discussed it that way. We took the position from the beginning that there was no differ-
119 ence between the product they called Bakerex and the product that they called Bake-King.

XQ. 101. Well, you made something of a distinction where you asked them if they preferred to report separately?

A. They introduced a new trade name to their product.

XQ. 102. It was intended by you that the Bake-King

line should be put under the same price arrangement that had applied to the Bakerex line, was it?

A. There was no question about that.

XQ. 103. That was your understanding, that it would be subject to the same price restrictions?

A. There were no price restrictions.

XQ. 104. Well, price arrangement, then.

A. There wasn't any price arrangement. After submitting the first schedule, after the license agreement was entered into, in 1937, there were no further schedules ever submitted to Metallic or to National.

XQ. 105. But whatever price arrangement applied to Bakerex you assumed would apply to Bake-King?

A. We assumed that our contract covered both Bakerex and Bake-King.

XQ.106. And you also assumed, I understand, that the Chicago Metallic would never have any right to question or raise the question as to whether Bake-King came
120 under the provisions of that contract, is that right?

A. That is correct.

XQ. 107. And it is your present understanding that that prohibition still continues, is that right?

A. That is what we intended to contract with respect to.

XQ. 108. And you stated a few moments ago that the intention was if the contract were terminated they would go back to the making of the plain ware?

A. Correct.

XQ. 109. And was it also the intention that they should make no form or that they should be prohibited from making any form of embossed metal tinware?

A. I do not know what they might have had in mind with respect to that. At the time the contract was made, we definitely had our product of Ovenex and their product of Bakerex in front of us, and that was the thing that we were talking about.

XQ. 110. But you knew nothing whatever about the product which was later marketed as Bake-King, at that time?

A. Not when the contract was made?

XQ. 111. Yes, when the contract was made.

A. When the contract was made, we had no knowledge of any such item as Bake-King.

XQ. 112. But it was your intention in the drafting
121 of this contract, and I understand you are a lawyer, that it should be made so air-tight that if it was ter-

minated the only kind of tinware that they could make was plain tinware, was that the intention?

A. That was correct, sir. We did not want to make a contract and a license agreement and then leave open any questions restricting our patents on Ovenex products.

XQ. 113. And you wanted to make it so air-tight that any form of embossed tinware would be subject to this price arrangement that was set forth in this contract.

A. I don't think so at all, sir.

XQ. 114. Well, if they couldn't make any type of tinware other than plain tinware, if everything else were to come or had to come under the contract, it would be subject to the price arrangement, would it not?

A. It would be subject to all of the terms of the contract.

XQ. 115. You sell Ovenex products all through the country, do you?

A. Yes, sir.

XQ. 116. The National Enameling Company does the same, I take it?

A. We all do.

XQ. 117. Well, I think you mentioned that there were just four that you regarded as the leaders or out-
122 standing manufacturers of this type of tinware, did you?

A. I have no recollection of having said that, but it may be so.

XQ. 118. Well, who would you include in that category?

The Witness: As what?

Mr. Samuel W. Banning: XQ. 118. As the outstanding manufacturers of tinware of this character?

A. There was, until it went out of business, the Baltimore Stamping Company. There is Schlueter. There is National and Metallic, ourselves, and there is Savory, just to mention a few other people in the tinware business.

XQ. 119. Well, there was considerable discussion about limiting the contracts similar to the one which was entered into with Chicago Metallic, to the four concerns—I mean to the three concerns besides yourself, Chicago Metallic, the National Enameling and—

A. No, sir.

XQ. 120. Was there not?

A. No, sir. We had offered to give Savory a license as well. Schlueter said they would take a license, but never commenced the production of Ovenex.

XQ. 121. This offer to extend a license to Savory, was that a matter of discussion with representatives of the Chicago Metallic?

A. No, sir.

123 XQ. 122. That was not a matter that they knew about, so far as you know?

A. Except in our statement that we would be glad to make our patents available to anybody who was making tinware.

XQ. 123. Who made that statement? How was it made?

A. In the discussions with Mr. Cohn. I made it to him on several occasions. Mr. Keating reported to me that he had made it in his discussion with Mr. Cohn.

Mr. Samuel W. Banning: The last portion of the answer is objected to and motion is made to strike it on the ground of hearsay.

The Court: It is denied.

Mr. Samuel W. Banning: That is all.

Redirect Examination by Mr. Merriam.

RDQ. 124. Are you a patent lawyer, Mr. Schrager?

A. No, sir.

Mr. Merriam: That is all.

The defendant rests.

The Court: The defendant rests. We will call you the respondent. The respondent rests.

(Whereupon the respondent rested its case in chief.)

The Court: The petitioner will proceed with its case.

124 (Whereupon the petitioner, to maintain the issues on its behalf, offered and introduced the following evidence, to wit:)

Mr. Ephraim Banning: If your Honor please, I now offer into evidence certain Metallic exhibits, Nos. 25, 26 and 27 and the stipulation in regard thereto.

The Court: Is there any objection?

Mr. Merriam: No objection.

The Court: They may be received. Are they already marked?

Mr. Ephraim Banning: They are already marked.

The Court: These are the ones that were filed with the stipulation of facts.

Mr. Ephraim Banning: These are supplementary to those.

The Court: Yes.

(Said documents, so offered and received in evidence, were marked Petitioner's Exhibits Nos. 25, 26 and 27.)

125 Mr. Merriam: I might say this: I thought they were something else. I don't object to those in view of your Honor's ruling already that we are going to receive the prior art.

The Court: Yes.

Mr. Merriam: But I think we should receive all of this prior art with the understanding that we object to it, to this extent, that we contend that they are estopped to assert it either for validity or for infringement.

The Court: I will understand that. You are making that objection and I am not ruling on it, because the matter of establishing estoppel as I indicated earlier is a matter of legal conclusion and I will arrive at it when I read all the arguments. In the meantime, I am letting all your evidence in tentatively. If I find that your contention on estoppel is good, I need not go further. On the other hand, if I should decide it against you, then I have this evidence here to consider. It is with that understanding that I receive it.

Mr. Merriam: I make that objection to all that type of evidence and then I don't have to repeat it.

The Court: Yes, I think that was anticipated by my remarks this morning. Everyone understands that.

Mr. Merriam: I thought so, too. I wanted to make sure.

The Court: Very well.

126 Mr. Ephraim Banning: I understand that the other Petitioner's Exhibits Nos. 1 to 24 referred to in the stipulation of facts have now been received subject to the same objection.

The Court: That is right. They are all received in evidence.

127 Mr. Ephraim Banning: And I also offer in evidence as Metallic Exhibit No. 28 a certified copy of the File Wrapper and contents of the Jackson patent No. 2,077,757.

The Court: It may be received.

(Said Jackson Patent No. 2,077,757, so offered and received in evidence, was marked Petitioner's Exhibit No. 28.)

128 Mr. Ephraim Banning: By agreement with opposing counsel, I am not calling Mr. Langel to testify on one point, namely, that the production of Bakerex pans

by Chicago Metallic was discontinued in the month of June, 1939. Is that correct?

Mr. Merriam: Well, the stipulation was that we would stipulate the fact that it ceased, then.

Mr. Ephraim Banning: That is all I require.

Mr. Merriam: Very well.

The Court: Very well. Let the record show the stipulation of the parties.

Mr. Merriam: That, of course, your Honor, is that they only ceased production, not sales.

Mr. Ephraim Banning: The sales are something else, and that will be covered separately.

The Court: Very well.

Mr. Ephraim Banning: Mr. Cohn, will you please take the stand?

ALBERT COHN, called as a witness herein on behalf of the Petitioner, being first duly sworn, was examined and testified as follows:

Direct Examination by Mr. Ephraim Banning.

Q. 1. Mr. Cohn, I understand that you are an officer of the Chicago Metallic Manufacturing Company and 129 have been so for a number of years?

A. Yes, sir.

The Court: What is his full name please?

Mr. Ephraim Banning: Albert Cohn.

The Witness: Yes.

Mr. Ephraim Banning: Q. 2. Were you familiar with the negotiations between your company and Katzinger which led up to the license agreement of October 1, 1937?

A. I am.

Q. 3. Were you present at any of the discussions?

A. At most of them.

Q. 4. Will you please state the first meeting or conversation in which the matter was brought up so far as you can recall?

A. The exact date I don't know, but we were in a tinware organization and had regular meetings about every 60 days, where different matters were discussed, and at one of them Arthur Katzinger told us that he had secured the patent which he was willing to let us in this group have, providing we paid a 5 per cent royalty and main-

tained a minimum price which he would make. After a lot of discussion, it was finally consummated.

Q. 5. Was anything said about any differential in price between the Bakerex that you were then making and plain tinware which you were then making?

130 A. Yes. There was to be a 5 per cent differential, that is, plain tinware would be sold 5 per cent less than the Bakerex or Ovenex, and we were to pay them that difference.

Q. 6. From whom did the request for a license come, your company or Katzinger?

A. It did not come from us. It was offered to us.

Q. 7. Do you recall the circumstances leading to the reduction of the royalty from 5 per cent to 2-½ per cent?

A. Yes.

Q. 8. Please state what they were?

A. Well, several months later, at a meeting, Arthur Katzinger said that he was going to make the price of Ovenex and plain tinware exactly the same, no differential.

Q. 9. Did you say anything to that?

A. We objected to it, naturally, because of the agreement that we had to pay 5 per cent, and there was a lot of discussion upon it, and he finally proposed that he would cut the royalty to 2-½ per cent, and after a lot of discussions, that was agreed upon.

Q. 10. Do you recall with reference to the date of October 20, 1939, when Katzinger wrote your company wanting to know if reports would be given separately or together on Bakerex and Bake-King, whether Katzinger

131 had been informed respecting your attitude on the Bake King tinware, with reference to the Katzinger patents?

A. Yes.

Q. 11. How was that communicated to Katzinger?

A. Well, sometimes it was at a meeting and sometimes it was by 'phone.

Q. 12. Did you yourself say anything on that subject to any of the Katzinger representatives?

A. I certainly did.

Q. 13. Please state what it was?

A. That we would not pay any royalty on Bake-King.

Q. 14. Can you state briefly the reasons which accounted for your producing Bake-King tinware and letting that take the place of the Bakerex line of tinware?

A. Well, one reason was that we did not want to be bound by a price fixing agreement. The next reason, which was important, was that we wanted to have something individual in design that did not interfere with their patents.

Q. 15. Does the Chicago Metallic Manufacturing Company do a business in its Bake-King tinware over a large part of the United States?

A. They do.

Q. 16. That would be in how many states?

A. Well, I presume in every state in the union.

132 Q. 17. Have you personally caused an examination to be made of these sales records of the Chicago Metallic Manufacturing Company, to determine when the last sale of Bakerex tinware was made?

A. I did.

Q. 18. And how long ago was that?

A. After the last bill was made on March 7, 1940.

Q. 19. And there has been no sale or distribution of Bakerex tinware since that date, so far as you know?

A. None of record, no.

What did I say, March 7th or March 30th?

The Court: March 7th.

The Witness: That is right.

Mr. Ephraim Banning: If your Honor please, the witness in giving his last answer is ignoring certain special transactions occurring within the last six or eight months, where the Chicago Metallic has been furnishing some Bakerex tinware with the consent of Katzinger to the National Enameling, and that is not desired to form any part of this case, but in the interest of accuracy, that answer is to apply only to this case.

The Counrt: Do you understand that?

Mr. Merriam: We agree that that delivery would be without prejudice to this case.

The Court: All right. The record is clear.

133 Mr. Ephraim Banning: All right. You may take the witness.

Cross Examination by Mr. Merriam.

XQ. 20. In your direct examination, Mr. Cohn, you said that you had a conversation at which Mr. Katzinger said he was going to reduce his prices on Ovenex. When did that conversation occur?

A. Several months after the contract was signed. I don't know exactly.

Mr. Merriam: That is all.

Mr. Ephraim Banning: That is all. Mr. Debs, will you take the stand please.

JEROME DEBS, called as a witness on behalf of the petitioner, being first duly sworn, was examined and testified as follows:

Direct Examination by Mr. Ephraim Banning.

Q. 1. Your name is Mr. Jerome Debs and you are connected with the Chicago Metallic Manufacturing Company, are you?

A. That is right.

Q. 2. In what capacity?

A. Sales manager and secretary.

Q. 3. And for how long have you acted as sales
134 manager?

A. Ten or twelve years.

The Court: Mr. Banning, what was the position of Mr. Cohn? He testified he was an officer. What office does he hold?

Mr. Ephraim Banning: President of the company.

The Court: President.

Mr. Ephraim Banning: Let the record be amended to show that.

The Court: You may proceed.

Mr. Ephraim Banning: Q. 4. You have been familiar with the Bake-King ware since its inception, have you?

A. Yes, I have.

Q. 5. And have you had anything to do with the preparation of the advertising and literature pertaining to the Bake-King tinware?

A. Yes.

Q. 6. I show you this folder descriptive of Bake-King tinware and ask you if you had anything to do with the preparation of that?

A. Yes. It was prepared under my supervision and instruction.

Q. 7. Please observe the illustration of three pans, from each of which a cake has been partially removed, over the words "The Product." Can you relate the circum-
135 stances of the production of those photographs?

A. Yes. We made various tests on Bake-King Metallic ware, in order to support any contention that we

might make about it, and this photograph was made from cakes baked in these particular pans at the Central Manufacturing District Club, which is a luncheon club to which we belong and we merely removed the cakes and took photographs of them, to see the difference in the baking results in the various pans. We made numerous tests like that.

Q. 8. Please state whether the pans used in that test were taken by you to the club?

A. Yes, sir.

Q. 9. And to whom did you deliver them and what were your instructions?

A. We delivered them to the chef with the instructions to put the same cake batter and the same amount in each pan and bake them under the same conditions.

Q. 10. And when that was done did you receive back the pans and the bakes that are shown in those illustrations?

A. Right.

Q. 11. Were those photographs then taken under your direction?

A. Correct.

Q. 12. Do they correctly show the condition of the bake in each case?

136 A. Yes.

Q. 13. Please state what the fact may be concerning the bottoms of Bake-King pans when placed in the ovens? Are they ever perfectly level?

A. No. I say they are never perfectly level. Either the pan itself will not be exactly level or the oven will not be exactly level, but I don't think there will ever be a case where the entire pan bottom is level.

Q. 14. And what effect does that have, if any, upon greases which may be in the pan?

A. If the flow of grease is uninterrupted, it will naturally go to the lowest point in the pan. It will flow away from the high point.

Q. 15. Is that an action which is frequently found in the plain tinware?

A. Yes.

Q. 16. How about the Bake-King tinware?

A. No.

Q. 17. Why not?

A. In our type of embossing, we have in any given

area a number of irregular impressions, all of which or many of which open in different directions. Some may open to the east, say, some to the north, some to the south and some to the west, so if the pan is tilted in any one way, the grease will meander from those depressions from
137 which the opening is to that direction, but in the other ones at which they are opened in other directions, enough will be retained to lubricate that section of the cake properly; in other words, Bake-King ware will retain grease, it will retain grease all over the surface of the pan rather uniformly.

Mr. Ephraim Banning: You may take the witness.

Cross Examination by Mr. Merriam.

XQ. 18. Mr. Debs, have you the original photographs on this advertisement?

A. Yes, I am quite sure we have. I can't be certain, but we should have them.

XQ. 19. Did you see those made yourself?

A. Yes.

XQ. 20. You were present when they were taken?

A. To my knowledge, I was. I won't be sure of that, because I did not do a lot of the physical work on this myself.

XQ. 21. Have they been in your possession ever since?

A. Yes, unless we might have sent them out to a customer that wanted to reproduce them, which is possible.

XQ. 22. After the photograph was taken, the camera stayed in your possession and you developed it?

138 A. No, no. The picture was taken by a commercial photographer.

XQ. 23. Then, what was done with it?

A. It was sent to us.

XQ. 24. Was it sent to you or do you have an advertising agency?

A. No. We do not have an advertising agency.

XQ. 25. Well, you made this layout yourself?

A. Correct, that is, with the assistance of some of my subordinates.

XQ. 26. As I gather, the stage at which you got the photograph was in its finished form, that is, you saw the picture taken and you were given what, was it a negative or a positive?

A. I would not be certain any more.

XQ. 27. Whatever it was that you got back it is the same as this?

A. Right.

Mr. Merriam: That is all.

The Court: Is there any redirect examination?

Mr. Ephraim Banning: Are you through with the witness?

Mr. Merriam: Yes.

Mr. Ephraim Banning: That concludes our case, your Honor.

The Court: Very well. The petitioner rests.

Whereupon the petitioner rested its case.

139 The Court: Is there any rebuttal by the respondent?

Mr. Merriam: Just one second, your Honor.

The Court: Very well. Would you like to have a brief recess?

Mr. Merriam: Yes, for five minutes.

The Court: We will take a ten minute recess.

(Whereupon a short recess was taken.)

(And thereupon the Respondent, to further maintain the issues on its behalf, offered and introduced the following evidence, to wit:)

M. KING SCHRAGER, recalled as a witness on behalf of the Respondent, was examined and testified further as follows:

Direct Examination by Mr. Merriam.

Q. 125. I show you Defendant's Exhibit No. 2 that you have previously testified was a sample of your Ovenex line. Have you ever observed under baking conditions, that is, in the preparation for baking, the operation of dough when placed in that type of receptacle?

A. Yes, sir.

Q. 126. Will you state what the effect is with respect to the distribution of grease?

Mr. Samuel W. Banning: I would like to object, your Honor. It does not seem to me that this is rebuttal.

140 This seems to me to be part of their infringement case, if they are going to rely on that to establish comparison.

Mr. Merriam: That is our own device, not the infringing device.

Mr. Samuel W. Banning: Pardon me. I thought it was—

The Court: Yes. I think that is proper rebuttal, in view of Mr. Debs' testimony.

Mr. Merriam: Did I finish the question?

(Q. 126 was read by the reporter.)

Mr. Merriam: Q. 126 (Continuing) When the pan is slightly tilted as it may be in operating conditions?

A. The small holes or depressions in the Ovenex pan retained the grease substantially evenly.

Q. 127. It that true regardless of what direction the tip was made in?

A. Yes, sir.

Mr. Merriam: That is all.

Mr. Samuel W. Banning: Will you read the last few questions?

(Record read by the reporter.)

Mr. Samuel W. Banning: No cross examination.

Mr. Merriam: The Respondent rests.

The Court: The Respondent rests.

(Whereupon the Respondent rested its case.)

141 The Court: Now, as to briefs, gentlemen, what is your pleasure?

Mr. Merriam: Well, I think in these cases generally the faster we get them in the better.

The Court: It suits me. I would like to get them as quickly as possible. The only reason for having briefs, instead of oral argument, is that I find it more beneficial and I understand the case a little better if I can read them at my leisure and read the decisions myself.

Mr. Merriam: I believe I can have my brief ready by Monday.

Mr. Samuel W. Banning: Wouldn't it be a good idea, your Honor, to have the testimony written and filed?

The Court: By all means.

Mr. Samuel W. Banning: And fix the time after that.

The Court: The testimony is so brief I should not think it would take more than a day to have that ready, so I do not think that is an item in this case that would cause delay.

Mr. Samuel W. Banning: That is too short a time for us.

Mr. Merriam: I will have mine ready by Monday.

The Court: Since I gave him the burden of proof, he will have to get the first brief in here.

The Respondent's brief will be on file with the clerk and a copy in the hands of the petitioner's counsel
142 on or before Monday, June 1st.

Mr. Merriam: If your Honor prefers to have it printed, I could not do it quite that quickly.

The Court: A typewritten brief is perfectly satisfactory.

How long a time after that would you like to have for the petitioner's brief, Mr. Banning?

Mr. Samuel W. Banning: I would say the following Monday.

The Court: That would be the 8th of June. Can you do that?

Mr. Samuel W. Banning: I think so.

The Court: It would not be imposing on you?

Mr. Ephraim Banning: I have to go out of town.

The Court: I wanted to help you.

Mr. Samuel W. Banning: I think that is time enough.

The Court: All right, June 8th. And then your reply brief for the respondent?

Mr. Merriam: By Friday of that week.

The Court: That would be by the 12th of June.

Mr. Merriam: The 12th.

The Court: All right. The respondent to file reply brief by June 12th.

Now, the cause will be taken under advisement on the briefs and arguments to be thus submitted and the clerk at this time will take possession of all exhibits introduced and leave to all parties to withdraw whatever exhibits
143 they want, upon their receipt to the clerk, for the purpose of preparing their briefs.

I assume that both sides are going to have the transcript written up, and one side or the other will give the court a copy?

Mr. Merriam: We have an agreement on that, your Honor.

We are sharing the costs and will supply the court with a copy.

The Court: All right. Then, the final brief will be on file by the 12th of June, and then I will take the matter under advisement for determination.

Mr. Merriam: Should we submit findings of fact and conclusions of law with our first brief?

The Court: No. Do not submit them at all, because following the reading of the briefs, I will write a written memorandum opinion. Then I will ask the prevailing party to submit them and the other side will also submit a memorandum with reference to them.

Mr. Merriam: O. K.

(Which was all of the testimony and evidence offered and received and other proceedings had upon the trial of said case.)

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ROOM 3320
405 Lexington Ave., New York City

LALANCE & GROSJEAN MANUFACTURING COMPANY

NEW YORK CITY: 299 Broadway

CHICAGO: 19th and Clark Streets

Factories, WOODHAVEN, L. I., NEW YORK

Rolling Mills, Tin Plate Works and Foundry, HARRISBURG, PA.

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JULY 1, 1922

Cable Address
"AGATECLIFF" NEW YORK

Designed, Engraved and Printed by BARTLETT ORR PRESS NEW YORK

PANS, MUFFIN, TURK'S HEAD GOTHAM, RETINNED

Number	1506	1508	1512
Frame, inches	11½x7½	14½x7½	14½x11½
Cups	6	8	12
Size of cups, inches	4½x1	4½x1	4½x1
Case lots, gross	1	1	1
Shipping weights, pounds	95	120	185

PAN, PATTY, HEART, PLAIN TIN

Number	3
Inches	3½x3½
Case lot, gross	5
Shipping weight, pounds	30

PANS, PATTY, OVAL, SCOLLOPED PLAIN TIN

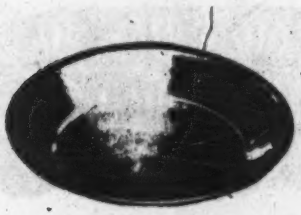
Number	2	3	4	5	6
Inches	3x2x½	3½x2½x½	4½x3½x½	4½x3½x½	5½x4½x1
Case lots, gross	5	5	5	5	5
Shipping weights, pounds	40	40	45	45	50

PANS, PATTY, ROUND, DEEP PLAIN TIN

Number	3	3½	4	5
Inches	3x7/8	3½x½	4½x1½	4½x1¼
Case lots, gross		5	5	5
Shipping weights, pounds		40	45	50

PANS, PATTY, ROUND, DEEP SCOLLOPED, PLAIN TIN

Number	13	13½	14
Inches	3½x1	3½x1	3½x1
Case lots, gross	5	5	5
Shipping weights, pounds	35	40	45



PANS, PATTY, ROUND, SHALLOW PLAIN TIN

Number	03	03½	04	04½	05
Inches	3½x⅝	3½x⅝	4½x¾	4½x¾	5x1
Case lots, gross	5	5	5	5	5
Shipping weights, pounds	25	30	35	40	50

PANS, PATTY, ROUND, SHALLOW SCOLLOPED, PLAIN TIN

With Flat Edge

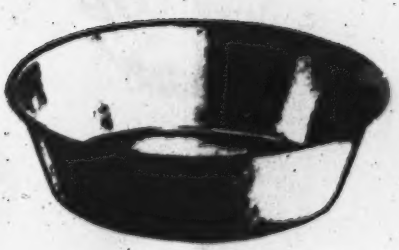
Number	23	23½	24	24½
Inches	3½x½	3½x½	4x½	4½x½
Case lots, gross	5	5	5	5
Shipping weights, pounds	25	35	45	55

PAN, PATTY, ROUND, SHELL, PLAIN TIN

Number	33
Inches	3½
Case lot, gross	5
Shipping weight, pounds	30

PAN, PATTY, ROUND, STAR, PLAIN TIN

Number	31
Inches	3½x½
Case lot, gross	5
Shipping weight, pounds	30



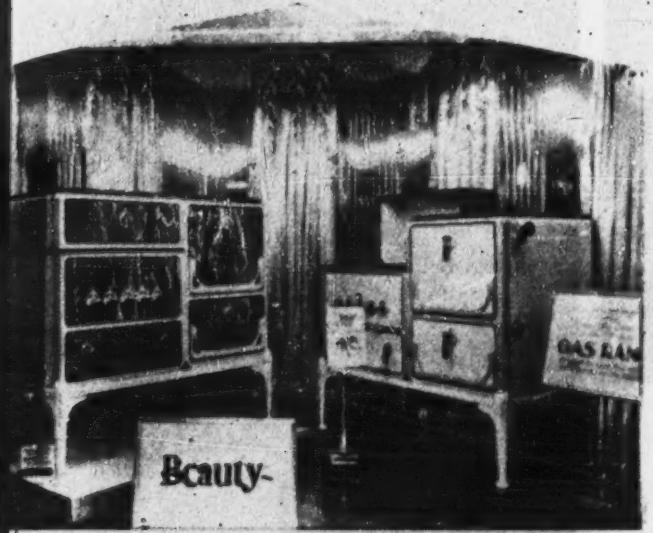
PANS, PUDDING, I. C., PLAIN TIN

Deep, Flat Edge

Number	015	016	017	018	019
Inches	6½x2½	7½x2⅝	8x2⅝	8½x2⅝	9½x3
Quarts	2	1	1½	2	3
Crate lots, gross	1	1	1	1	1
Shipping weights, pounds	25	35	40	50	55

Number	020	021	022	023	024
Inches	10½x3½	11½x3½	12x3⅝	12½x3⅝	13½x3⅝
Quarts	4	5	6	8	10
Crate lots, gross	1	1	1	1	1
Shipping weights, pounds	60	80	85	95	115

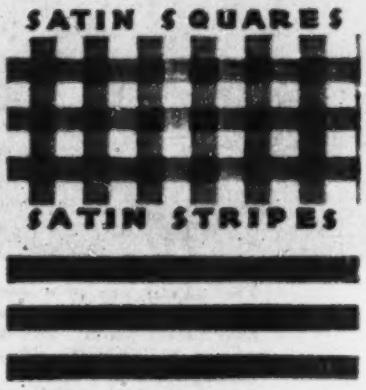
CHROMFLEX AND COPPERFLEX ARE MADE ONLY BY



Fluted Chromflex in No. 90 gauge (.018) 50" x 50" serves to enliven the background for this display of stoves in the Michigan Avenue Store of a prominent Chicago Utility Company.

CHROMFLEX
The Inescapable Display Material

Wherever you install Chromflex it demands attention. Chromflex cannot be submerged. Alone it can be worked into brilliant displays by means of colored lights. In combination with velvet, wood or glass it imparts life and rhythm to the most elaborate layout. Chromflex is forever new, smart and, consequently, economical. Chromflex is offered, in addition to flat polished or satin finished sheets, in patterns which are generally used for variety in conjunction with flat or fluted sheets; in sheets decorated with satin stripes ½" wide; or satin squares made by crossing the stripes at right angles.



Chromflex is also obtainable in flat polished or satin finished sheets, or sheets decorated with stripes and squares, on plywood of various thicknesses. It is available as a covering for wood moulding and offered in several patterns in standard lengths of eight feet.

This sensational show window represents a small portion of a display of typewriters in which Chromflex figures prominently. Over 1,000 square feet of Chromflex was used in this display, which was fabricated entirely by hand. Colored lights on the revolving star, added immensely to the beauty of this setting.

QUALITY of SERVICE

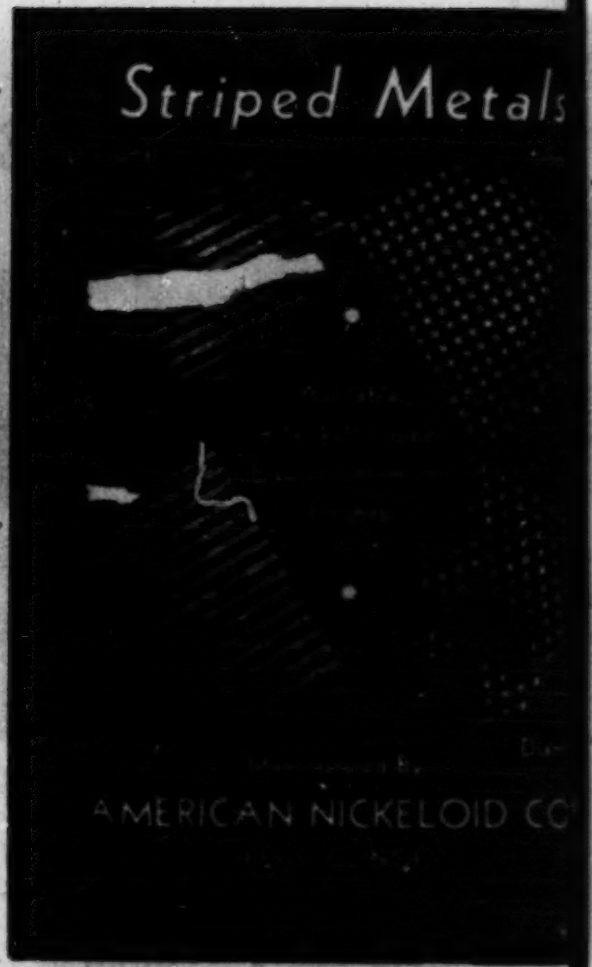
APOLLO

© 1934
25M—3-34

OF LaSALLE

EXHIBIT 13

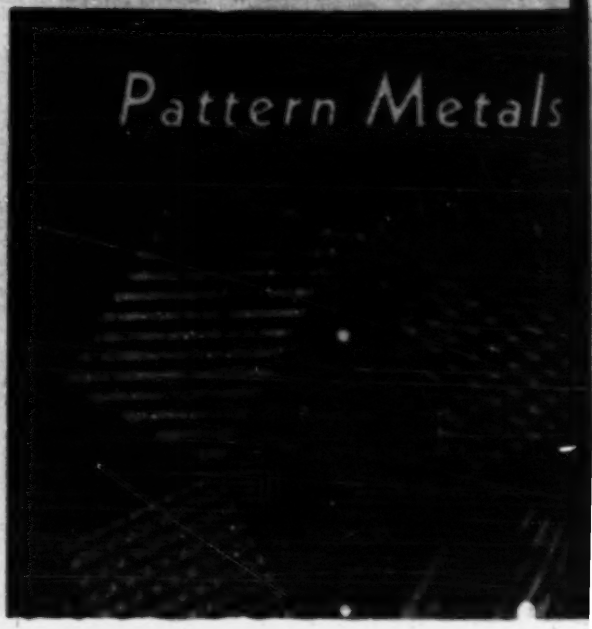
This display, one of a series used by General Electric Company, Nela Park, Cleveland, in their "leaky faucet" campaign, made good use of our NICKELOID. This metal was used in making the round cylinder beneath the faucet. The display was built by the Brownell Studio and Harvey G. Stief, Inc., Cleveland.



FURTHER DETAILS *Gladly* GIVEN

. . . . ABOUT OUR PATTERN AND STRIPED METALS

The striped and pattern metals pictured at the right add to the possibilities which display men and manufacturers can attain with Chromium metals. To really judge the beauty of these designs you should see actual samples of the metals, however, and we will be glad to mail convenient small samples of any particular pattern or stripe that you are interested in, upon request. In fact, inspection samples of any of our various metals will be sent promptly upon request. Write us, too, if more detailed information is desired, or get in touch with our nearest sales office, as listed on page four of this brochure.



The American Chromium Metals Described and Pictured in this Booklet are Manufactured and Sold by

STAMPING NAMES IN PANS

Fig. 22

Patented Feb. 14th, 1911.

By Our Patent Process, We Emboss Your Name in Pans Perfectly

By our process the name will stand out as clear and smooth as on any printed sheet of paper. Not a wrinkle or crack in the pan. We are proud of our success in this particular accomplishment, as it has been one part of the business that sorely needed correction.

The wrinkle and buckle as of old is now done away with, and we can furnish you an embossed pan as smooth and free from imperfections as a plain one.

We have spent considerable money to perfect our machinery to emboss these names properly, and have succeeded in accomplishing the desired result.

In ordering pans with names stamped in them, we recommend the heavy tin.

The less letters in the pan, the more apt they are to make a good impression upon the bread. Each letter requires 1½ inches square space in the bottom of the pan. In ordering stamped pans, care must be taken that the name is not too long to go in the bottom of the pan, figuring 1½ inches square space for each letter.

COST OF STAMPING NAMES IN PANS

First gross or fraction of a gross	$3.00
Each additional gross or fraction of a gross	1.50

Exhibit 25

CORRUGATED BREAD PANS

MADE OF HEAVY TIN WITH DEEP CORRUGATIONS, WHICH LEAVE A PERFECT IMPRESSION IN THE LOAF

For a Five-cent Loaf

Fig. 31

Corrugated Sides and Bottom

Number	Metal	Top Inside	Bottom	Depth	Per Doz.
Style A	Heavy Tin	8¼x4¼	7¼x3¼	2½ in.	$1.80
Riveted Strapping				Per Doz. Pans	.40
Electric Welded Strapping				Per Doz. Pans	.60

For a Double Loaf

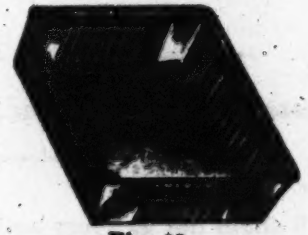


Fig. 32

Corrugated Sides and Ends Only

Number	Metal	Top Inside	Bottom	Depth	Per Doz.
Style B	Heavy Tin	8½x7½	8 x 7	2½ in.	$2.40
Riveted Strapping				Per Doz. Pans	.60
Electric Welded Strapping				Per Doz. Pans	.71

Corrugated Sides and Ends Only

Number	Metal	Top Inside	Bottom	Depth	Per Doz.
Style B	Heavy Tin	8½x7½	8 x 7	2½ in.	$2.40
Riveted	Strapping			Per Doz. Pans	.68
Electric	Welded Strapping			Per Doz. Pans	.72

For a Ten-cent Loaf

Fig. 33

Corrugated Sides and Bottom

Number	Metal	Top Inside	Bottom	Depth	Per Doz.
Style C	Heavy Tin	9½x5⅝	8½x4½	3 in.	$2.40
Riveted	Strapping			Per Doz. Pans	.68
Electric	Welded Strapping			Per Doz. Pans	.72

TO AVOID ERRORS, ORDER BY FIGURE AND PAN NUMBER

Exhibit 25

CORRUGATED BREAD PANS

MADE OF HEAVY TIN WITH DEEP CORRUGATIONS, WHICH LEAVE A PERFECT IMPRESSION IN THE LOAF

For a Ten-cent Loaf

Fig. 34

Corrugated Bottoms Only

Number	Metal	Top Inside	Bottom	Depth	Per Doz.
Style D	Heavy Tin	9⅞x5¼	8⅞x4¼	2¾ in.	$2.40

For a Double Five-cent Loaf

Fig. 35

Corrugated Bottoms Only

Number	Metal	Top Inside	Bottom	Depth	Per Doz.
Style E	Heavy Tin	15 x 5	14 x 4¼	2½ in.	$3.00

PULLMAN SANDWICH PANS

MADE OF HEAVY TIN IN OUR ONE PIECE RIVETED END STYLE, WITH SLIDING COVER

Fig. 36

Number	Capacity about	Top Inside	Bottom	Depth	Per Doz.
1	1½ lbs.	13 x 4	13 x 4	4 in.	$4.50
2	2 lbs.	16 x 4	16 x 4	4 in.	5.00
		19 x 4	19 x 4	4 in.	6.00

Fig. 36

Number	Capacity about	Top Inside	Bottom	Depth	Per Doz.
1	1½ lbs.	13 x 4	13 x 4	4 in.	$4.50
2	2 lbs.	16 x 4	16 x 4	4 in.	5.00
3	3 lbs.	19 x 4	19 x 4	4 in.	6.00
4	3 lbs.	15 x 5	15 x 5	4½ in.	6.00

COST OF STRAPPING PANS LISTED ON THIS PAGE

By our Riveted Process ..... Per Doz. Pans **$0.60**
By our Patent Electric Welded Process ..... Per Doz. Pans **.72**

TO AVOID ERRORS, ORDER BY FIGURE AND PAN NUMBER

CRIMP CRUST PANS

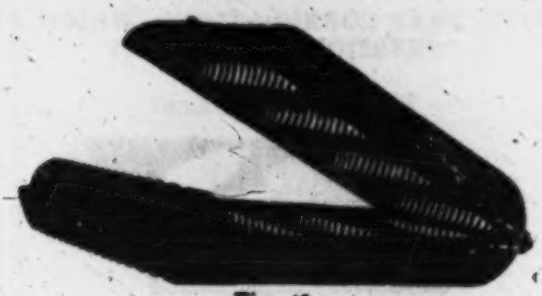


Fig. 48

Number	Metal	Length	Outer Diameter	Each
1	Regular Tin	10 in.	3¼ in.	$0.90
01	Heavy Tin	10 in.	3¼ in.	1.25
2	Regular Tin	12 in.	3¼ in.	1.00
02	Heavy Tin	12 in.	3¼ in.	1.35
3	Regular Tin	14 in.	3¼ in.	1.25
03	Heavy Tin	14 in.	3¼ in.	1.50

CREAM LOAF PAN

MADE OF RUSSIA IRON

Fig. 49

	Length	Diameter	Each
Each pan will bake 6 loaves	14 in.	3½ in.	$3.00

TURK'S HEAD CAKE PANS

RETINNED

Number	Quarts	Outer Diameter	Depth	Per Doz.
60	1	6¼ inches	2⅞ inches	$1.60
61	1½	7¼ inches	3⅛ inches	1.90
61½	2	8¼ inches	3¼ inches	2.00
62	3	9 inches	3¾ inches	2.25
63	4	9¾ inches	4 inches	2.75
63½	5	10¼ inches	4 inches	3.50

Fig. 72

TURBAN CAKE PANS (Tubed)

RETINNED

Number	Quarts	Outer Diameter	Depth	Per Doz.
86	2	8 inches	3¼ inches	$1.50
87	4	8¾ inches	3½ inches	1.75
88	5	9½ inches	3¾ inches	2.00
89	6	10 inches	4 inches	2.50

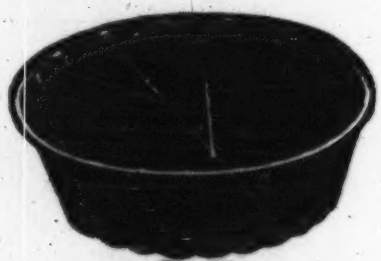


Fig. 73

SCALLOPED CAKE PANS (Not Tubed)

Number	Quarts	Diameter	Depth	Per Doz.
1	1½	7½ inches	2⅛ inches	$0.45
2	3	9⅝ inches	2⅝ inches	.65

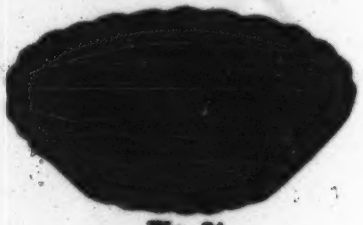


Fig. 74

KING LOAF PAN

MADE OF TIN

Fig. 80

Each pan will bake 2 diamond shaped loaves 12 inches long and 3 inches on a side..Each $0.75

QUEEN LOAF PAN

MADE OF TIN

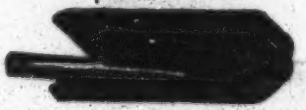


Fig. 81

	Length	Diameter	Each
Each pan will bake 2 round loaves	12½ in.	3½ in.	$0.75

Fig. 74

SCALLOPED CAKE PANS (Tubed)

Number	Quarts	Diameter	Depth	Per Doz
4	1½	7½ inches	2⅛ inches	$0.60
3	3	9⅛ inches	2⅝ inches	.90

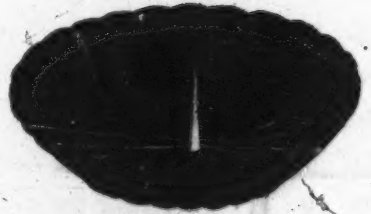


Fig. 75

TO AVOID MISTAKES, ORDER BY FIGURE AND PAN NUMBER

ROUND JELLY MOULDS

RETINNED

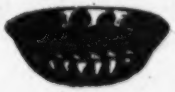


Fig. 117

Diameter, 6½ inches; depth, 2⅛ inches.

Per Dozen **$1.00**

NEW STYLE JELLY MOULDS

RETINNED

Fig. 118

No. 1	½ Pint	Per Dozen	**$1.25**
No. 2	1 Pint	Per Dozen	**1.50**
No. 3	1½ Pint	Per Dozen	**1.75**
No. 4	2 Pint	Per Dozen	**2.00**

PLAIN ROUND PATTY PANS

Fig. 120

Number	11	12	13	14	15
Inches	3	3½	4	4½	5
Dozen	$0.09	$0.12	$0.15	$0.20	$0.23

OVAL SCALLOPED PATTY PANS

Fig. 121

Number	2	3	4	5	6
Inches	3⅝	3⅞	4⅛	4⅞	5¼
Dozen	$0.08	$0.09	$0.12	$0.15	$0.20

ROUND DEEP SCALLOPED PATTY PANS

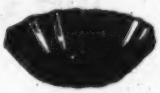


Fig. 122

Number	00	0	1	2
Inches	2½	3	3½	4
Dozen	$0.08	$0.09	$0.10	$0.15

OVAL JELLY MOULDS

RETINNED

Fig. 119

No.	**5**	¼	Pint	..... Per Dozen **$1.20**
No.	**6**	½	Pint	..... Per Dozen **3.60**
No.	**7**	1	Pint	..... Per Dozen **4.00**
No.	**8**	1½	Pint	..... Per Dozen **4.80**
No.	**9**	2	Pint	..... Per Dozen **6.00**
No.	**10**	3	Pint	..... Per Dozen **7.20**
No.	**11**	4	Pint	..... Per Dozen **9.60**

TO AVOID ERRORS, ORDER BY FIGURE AND PAN NUMBER

ROUND CRINKLED PATTY PANS

Fig. 123

Number	20	21	22	23
Inches	3	3½	4	4½
Dozen	$0.09	$0.10	$0.15	$0.20

FANCY PATTY PANS

SHELL

Fig. 124

Size 3 inches

OBLONG

Fig. 125

Size 3⅝ inches

HEART

Fig. 126

Size 3 inches

LEAF

Fig. 127

Size 3⅛ inches

STAR

Fig. 128

Size 4 inches

Fancy Patty Pans, any style ..... Per Doz. $0.10

Exhibit 25

RYERSON LIBRARY

No.

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RECEIVED December 12, 1908

5613

COPPER WORK

AN ILLUSTRATED TEXT BOOK FOR TEACHERS AND STUDENTS IN THE MANUAL ARTS

BY

AUGUSTUS F. ROSE

SECOND EDITION

THE DAVIS PRESS
WORCESTER, MASSACHUSETTS
1908

FIGURE 27

FIGURE 28

Chapter VI.

RAISED FORMS.

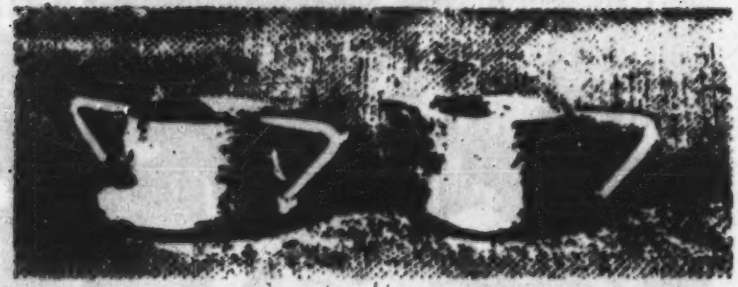


PLATE 31

The first exercise in raising should be a form quite simple in outline, Plate 35, A. A drawing or blue print should be used showing the shape and dimensions and this should be worked to as closely as possible. Next select a piece of copper suitable in thickness for an object of this size, in this case 20 gauge. The metal for raising must be circular in shape and the diameter of the piece needed for this bowl determined in the following way:

Take a piece of string, place it on the drawing or blue print, starting in the center of the base, and follow the curve as indicated at A, on Plate 35. This will give the radius needed for describing the circle, which is 5". The circle is then cut out with the shears, after which another circle is described on the metal for the base. All lines made on the metal should be made quite lightly.

As a rule the copper comes from the rolling mill somewhat hardened so the next thing to do is to soften it by a process called annealing.

Place upon the annealing tray, Figure 5, the circular piece of metal already cut, and apply the flame from the blow-pipe upon it until it becomes red hot. It is either

RYERSON LIBRARY

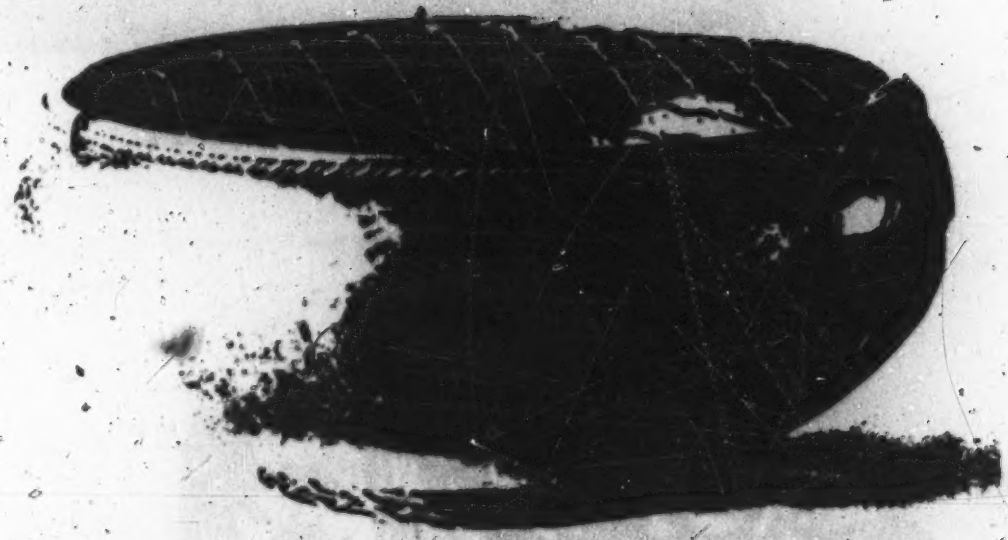
No.

STACK
D10.6 D45

RECEIVED 14 November 1922.

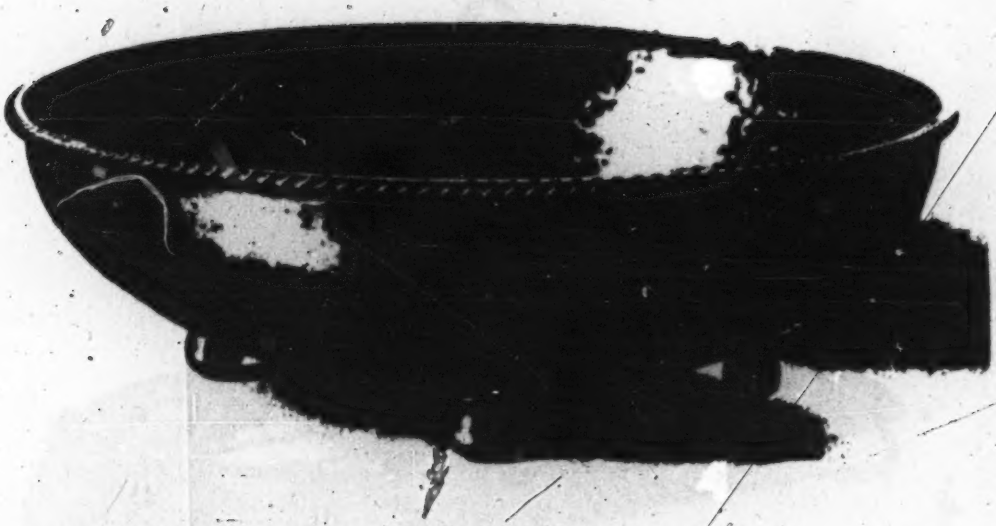
DESIGN IN MODERN INDUSTRY
THE YEAR-BOOK OF THE DESIGN & INDUSTRIES ASSOCIATION
1922

WITH AN INTRODUCTION BY
C. H. COLLINS BAKER
KEEPER AND SECRETARY
OF THE NATIONAL GALLERY



14. A ROSE BOWL OF SIMPLE AND PRACTICAL DESIGN.

(*Bryant Works.*)



15A. BRONZE BOWL BEATEN OUT FROM THE FLAT. THE RIM IS STIFFENED BY THE ADDITION OF TWISTED WIRE.

(*David Weeks*)

15B. IN THIS EXAMPLE THE NECESSARY STRENGTH IS OBTAINED BY DRESSING OVER THE RIM.

(*David Weeks*)

195 IN THE DISTRICT COURT OF THE UNITED STATES

* * (Caption—2647) * *

STIPULATION

It is stipulated by and between attorneys for the respective parties hereto that:

1. The appended photocopies (seven sheets) are true and correct copies of pages 15, 20, 21, 27, 37, 49 and 50, respectively, of Catalog 12 of Edward Katzinger Company, the Respondent herein; that said catalog was published and distributed in 1912; that the items listed in these pages were at that time sold on the market by Edward Katzinger Company; and that these seven sheets (photocopies), now marked as Metallic Exhibit 25, may be used with the same force and effect as the originals thereof;

2. The appended photocopies (five sheets) are true and correct copies of the book plate, frontispiece, title
196 page and pages 80 and 81, respectively, of a book entitled "Copper Work" by Augustus F. Rose; that this book was published in 1908; that a printed copy of this book has been accessible to the public since December 12, 1908 in the Ryerson Library of the Art Institute of Chicago; and that these four sheets (photocopies), now marked as Metallic Exhibit 26, may be used with the same force and effect as the originals thereof;

3. The appended photocopies (four sheets) are true and correct copies of the book plate, title page and pages 88 and 89, respectively, of a book entitled "Design in Modern Industry—The Year-Book of the Design & Industries Association, 1922"; that this book was published in London in 1922; that a printed copy of this book has been accessible to the public since that same year in the Ryerson Library of the Art Institute of Chicago; and that these four sheets (photocopies), now marked as Metallic Exhibit 27, may be used with the same force and effect as the originals thereof;

4. This stipulation is made subject to the terms

197 and conditions expressed in paragraph 4 of a previous stipulation dated May 19, 1942.

Banning & Banning
Attorneys for Petitioner

Chritton, Wiles, Davies & Hirschl
Attorneys for Respondent

May 25, 1942

PLAINTIFF'S EX. 28

199 390

DEPARTMENT OF COMMERCE

UNITED STATES PATENT OFFICE

To all persons to whom these presents shall come, Greeting:

This Is to Certify that the annexed is a true copy from the records of this office of the File Wrapper and Contents, in the matter of the Letters Patent of Joseph G. Jackson, assignor to Edward Katzinger Company, Number 2,077,757, Granted April 20, 1937, for Improvement in Baking Pan and Material.

METALLIC EXHIBIT 28

(Stamped) Filed May 27 1942 Hoyt King Clerk.

In Testimony Whereof I have hereunto set my hand and caused the seal of the Patent Office to be affixed, at the City of Washington, this tenth day of March, in the year of our Lord one thousand nine hundred and forty-one and of the Independence of the United States of America the one hundred and sixty-fifth.

Conway P. Coe
Commissioner of Patents.

(Seal)

Attest:

D. E. Nielson
Chief of Division.

200 35015

Number (Series of 1935) 96376 Patent No. 2077757
Dated Apr 20 1937
Div. 1 (Ex'r's Book) 53-128-11

Name Joseph G. Jackson, Assor to Edward Katzinger Company, of Chicago, Ill., a Corp. of Illinois, of Oak Park, State of Illinois.

Invention Baking Pans and Material

Original	Renewed
Application Filed Complete Aug 17, 1936	3/20/37 20
Parts of Application Filed: Petition, Specification, Oath, First Fee $30, 1 sheets) Drawings,) Aug. 17, 1936	.....
.....	.....
.....	.....
.....	.....
Examined and passed for Issue Mar. 10, 1937.	Reexam'd and passed for Issue ....., 193....
T. A. Soeppler, Exr. Div. One	..... Exr. Div.....
Notice of Allowance Mar 10 1937	Notice of Allowance.....
By Commissioner.	....., 193....
Final Fee $30 Mar 20, 1937	By Commissioner
	Final Fee ....., 193....

Sub. Attorney ~~Charles S. Wilson 100 N. La Salle St Chicago Ill.~~ Stanley Hoods, c/o Edward Katzinger Co., 1949 North Cicero Ave., Chicago, Ill.

Associate Attorney .....

No. of Claims Allowed 6 Print Claim 1 in O. G. Class 53-6

Title as allowed Baking Pan and Material.

(In left-hand margin):
Division of App. No. ....., filed ....., 19

201 Aug-17-36 031703 E~M.O.—30.00

(Stamped) Mail Division Aug 17, 1936 U. S. Patent Office

CHARLES S. WILSON
100 North La Salle Street
Chicago

Stanley Hoods 35015

August 14, 1936

The Commissioner of Patents,
Washington, D. C.

Sir:

Re: Baking Pan and Material
Joseph G. Jackson—Inventor

Herewith please find application for patent in the above matter comprising Petition, Specification and Claims, Oath and one (1) sheet of drawings, together with U. S. Postal Money Order No. 960203 for Thirty ($30.00) Dollars covering government filing fee.

Respectfully,
Charles S. Wilson per H

CSW/H
Encls

96376—½

202 96376

(Stamped) Mail Division Aug. 17 1936 U. S. Patent Office.

35015 PETITION

To the Commissioner of Patents:

Your petitioner, Joseph G. Jackson, a citizen of the United States, and a resident of Oak Park, in the County of Cook and State of Illinois, whose post office address is

807 North Oak Park Avenue,
Oak Park, Illinois,

prays that Letters Patent may be granted to him for the improvements in

per C

Baking Pans and Material

set forth in the annexed specification.

And he hereby appoints Charles S. Wilson, whose post office address is 100 North LaSalle Street, Chicago, Illinois, his attorney with full power of substitution and revocation, to prosecute this application, to make alterations and amendments therein, to receive the patent, and to transact all business in the Patent Office connected therewith.

Signed at Chicago, in the County of Cook and State of Illinois, this 30th day of December A. D. 1935.

Joseph G. Jackson

96376—1

203

To All Whom It May Concern:

35015

Be It Known, that Joseph G. Jackson, a citizen of the United States, and a resident of Oak Park, in the County of Cook and State of Illinois, has invented certain new and useful improvements in

Baking Pans and Material

of which the following is a specification:

This invention relates to baking pans and the material from which they are made, whereby the pan will present a pleasing and appealing appearance, will not be easily scarred or marked, and will have increased strength and resistance to denting and warping. It also contemplates a pan wherein the grease, if any, used in baking will be evenly distributed over the inner surfaces of the pan and the pan surfaces in direct contact with the dough therein will be increased to improve the bake.

With the above and other objects in view, as will be apparent, this invention consists in the construction, combination and arrangement of parts all as hereinafter more fully described, claimed and illustrated in the accompanying drawings, wherein:

Fig. 1 is a fragmentary corner elevation of one
per B type of pan embodying the present invention;
Fig. 2 is a similar view of a muffin frame illustrating the present construction incorporated therein;
Fig. 3 likewise is a fragmentary elevation of a pie plate showing the present invention as applied thereto; and

96376—2

204 Fig. 4 is a section through a wall of a pan made in accordance with this invention to illustrate the
35015 formation and construction thereof.

Heretofore, in the manufacture of baking pans the material or metal used has generally had a plain, smooth, uninterrupted and generally a polished surface with the result that every defect in the material, all dents placed therein from one cause or another and all finger prints, smudges, and the like appeared thereon and often were emphasized. Therefore, the smooth, plain, polished surface of the pan walls in addition to being easily marred and dented, did not present a particularly attractive appearance on display, especially after the article has been frequently handled.

In addition to this, the average baking pan made of smooth, flat material warps easily and frequently becomes distorted unless the gauge or thickness of the metal from which the pan is made is greatly increased. This is particularly true of relatively large and shallow pans such as

96376—3

205 cookie sheets. It is customary to grease the interior of a baking pan prior to placing the dough
35015 therein and in the pans prior hereto the smooth uninterrupted surfaces thereof have provided no means for holding such grease and causing an even distribution thereof.

The present invention contemplates a baking pan that will overcome the objectionable features of the prior pans, by providing an over-all geometric design or pattern in one or more of the pan walls which will produce a series of alternate
depressions and elevations
per B ~~pockets and projections~~ throughout the surface

of the pan wall. When the material of the pan is thus treated by having an over-all geometric design or pattern impressed or formed therein, the pan will be greatly strengthened and the appearance vastly improved. The forming of an over-all pattern or design in the material of the pans removes all stress, strains, and buckles therefrom and conceals any and all defects which may occur in the material. Furthermore, pans so constructed may be readily ~~easily~~ handled during the display thereof without finger prints or smudge being obvious and glaring.

Certain types of pans such as cookie sheets when made of smooth, flat sheets warp readily and do not ship flat, whereas, when made in accordance with the present invention additional strength is provided throughout the walls, as well as at the edges thereof to prevent warpage and to maintain the pans at all times relatively flat.

By having the alternate depressions and projections over the surface of the pan wall or walls, the heating surface contacting with the contents of the pan is

96376—4

206 materially increased and there is a more uniform distribution of the grease over the entire pan sur-
35015 face. In this manner the baking in a pan made in accordance with the present invention is greatly improved over that in the pans with smooth flat walls.

Reference being had more particularly to Figs. 1, 3 and 4 of the drawings, 10 designates the walls, either side or bottom, of a baking pan. These walls 10 are formed from sheets of any suitable metal and have alternate depressions 11

per B and elevations ~~projections~~ 12 created therein by stamping, rolling and by any other suitable means. The formation of the depressions 11 in one face of the

elevations

wall 10 creates the ~~projections~~ 12 on the opposite face of the wall, so that the depressions

elevations
— — 11 and ∧ ~~projections~~ 12 of one face of the wall are complemental to the similar elements of the opposed face of the wall.

elevations
— — The ∧ ~~depressions~~ 11 and projections 12 may be arranged in any suitable pattern, two examples of which are shown respectively in Fig. 1 and 2 of the drawings. By reference to Fig. 4 of the drawing it will be observed that the depressions

elevations
— — 11 and ∧ ~~projections~~ 12 may, if desired, be formed with the facets 13 which add to the strength of the wall and present a pleasing and attractive appearance.

In Fig. 2, showing the present invention applied to a muffin frame, the pattern is not applied to the cups 14, but is applied to the sheet or frame 15 in which the cups are carried. In this form of the invention the frame or sheet 15 is greatly strengthened and its appearance vastly improved.

96376—5

207 In Fig. 3 is shown another application of the present invention, viz. the application thereof to a pie plate. Here the side wall 16 of the pan is plain but the bottom 10 thereof has the present invention applied thereto.

In practicing this invention the alternately ar-

elevations
per B ranged depressions 11 and ∧ ~~projections~~ 12 arranged in any suitable pattern or design may be rolled, impressed or otherwise formed on the sheets of metal from which the pan is made prior to the formation of the pan, or may be formed in the pan walls during or after the formation of the pan. It has been found that where the sheets from which the pans are to be made are provided with the alternately arranged depres-

elevations
— — sions and ∧ ~~projections~~ 11-12, the same can be readily rolled into the metal but where they are placed in the pan wall or walls during or after the formation of the pan, it has been found desirable to do this by a stamping operation.

From the foregoing, it is manifest that the

strength of the pan is greatly increased by the construction herein described; that dents, scars and defects in the metal will not be apparent; that any grease applied to the interior surface of the pan will settle and be held by the several depressions 11 and that the provision of facets 13 in combination with the depressions 11 and elevations
— — ∧ ~~projections~~ 12 will create an extremely attractive and pleasing article.

96376—6

208 What Is Claimed:

Canc'd Per A

~~1. A baking pan having an over-all geometrical pattern formed in one or more of the walls thereof.~~

~~2. A baking pan having an over-all pattern on the walls thereof consisting of depressions and elevations formed from and in the material of said walls.~~

~~3. A baking pan having a design consisting of alternately arranged depressions and elevations formed from and in the material from which the pan is made.~~

~~4. A baking pan having a pattern consisting of alternately arranged depressions and elevations formed from and in the pan material.~~

~~5. A baking pan having a pattern consisting of alternately arranged depressions and elevations formed from and in the pan material, the pattern on the exterior of the pan being complemental to that on the interior of the pan.~~

~~6. The wall of a baking pan formed of sheet metal having a series of depressions separated by projections formed in said sheet.~~

~~7. The wall of a baking pan formed from a metal sheet having a series of depressions separated by projections formed therein, said depressions and projections being arranged in a pattern.~~

~~8. The wall of a baking pan consisting of a sheet of metal having a series of depressions separated by projections on both its faces, the depressions on one face creating the projections on the opposed face.~~

96376—7

209 ~~9. The wall of a baking pan consisting of a sheet of metal having a series of depressions separated by projections on both its faces, the depressions on one face creating the projections on the opposed face, said depressions and projections being arranged in a geometrical pattern.~~

Canc'd Per A

~~10. The wall of a baking pan consisting of a sheet of metal having a series of depressions separated by projections on both its faces, the depressions on one face creating the projections on the opposed face, said depressions and projections being arranged in a geometrical pattern, the pattern on one face of the sheet being complemental to the pattern on the opposed face.~~

~~11. The wall of a baking pan consisting of a sheet of metal having a series of depressions separated by projections, said projections and depressions each being formed with facets.~~

Add A B¹

Joseph G. Jackson

96376—8

210 OATH.

State of Illinois,
35015 County of Cook—ss.

Joseph G. Jackson, the above named petitioner, being first duly sworn, deposes and says: that he is a citizen of the United States and a resident of Oak Park, in the County of Cook and State of Illinois; that he verily believes himself to the the original, first and sole inventor of the improvements in

Baking Pan and Material

described and claimed in the annexed specification, and illustrated in the drawings; that he does not know and does not believe that the same was ever known or used before his invention or discovery thereof, or patented or described in any printed publication in any county before his invention or discovery thereof, or more than two years prior to this application, or in public use or on sale in the United States for more than two years prior to this application;

that said invention has not been patented in any country foreign to the United States on an application filed by him or his legal representatives or assigns more than twelve months prior to this application; and that no application for patent on said improvement has been filed by him or his legal representatives or assigns in any country foreign to the United States.

Joseph G. Jackson

Subscribed and Sworn To before me, a Notary Public in and for the County of Cook and State of Illinois, this 30th day of December A. D. 1935.

Fern Ferguson
Notary Public.

212 Div. 1 Room 6624 HORIG-ERE Paper No. 3

260

Address only "The Commissioner of Patents, Washington, D. C.," and not any official by name

All communications respecting this application should give the serial number, date of filing, and name of the applicant

DEPARTMENT OF COMMERCE
United States Patent Office
Washington

(Stamp) Mailed Oct. 3 1936

October 3, 1936

Please find below a communication from the Examiner in charge of this application.

Conway P. Coe,
Commissioner of Patents.

Charles S. Wilson,
100 N. La Salle St.,
Chicago, Illinois.

Applicant: Joseph G. Jackson
Ser. No. 96,376
Filed August 17, 1936
For Baking Pans and Material

Reference:

Park	661,273	Nov. 6, 1900	53-6

References to aid in ajending:

Wojidkow	(Des.) 50,004	Dec. 15, 1916	44-14
Ledig	(Des.) 16,612	Apr. 13, 1886	44-14
Rutledge	2,014,815	Sept. 27, 1935	113-51

Claims 1 to 5, inclusive, are rejected as lacking invention over the above cited patent to Park, who shows a pie pan having a corrugated bottom for the purpose of strengthening the pan, as well as increasing the browned surface of the bread. Since the provision of corrugations in sheet metal for the purpose of strengthening the finished pan is old in the prior art, it follows that the only contribution which applicant has made is the appearance, which is subject matter for a design patent and should be filed as such.

Claims 6 to 11, inclusive, are rejected as being incomplete. The "wall of a baking pan" has no utility by itself.

All the claims are rejected.

Max W. Tucker
Act. Examiner
96376—11

FMH

213 Serial No. 96,376 Paper No. 4 Amdt A

(Stamps) Mail Division Dec. 24, 1936, U. S. Patent Office. U. S. Patent Office Dec 28 1936 Division 1.

35015 IN THE UNITED STATES PATENT OFFICE

Joseph G. Jackson
Baking Pans and Material
Filed August 17, 1936
Serial No. 96,376

Division 1
Room 6624

The Commissioner of Patents
Washington, D. C.
Sir:

Responsive to the Official Action dated October 3, 1936, the above entitled application is hereby amended as follows:

Cancel the claims now in this application and substitute the following:

Per B. ~~12. A metal baking pan having a series of alternate depressions and elevations aligned in at least two directions.~~

A' ~~13. A metal baking pan having a series of alternately arranged relatively shallow depressions and elevations aligned in at least two directions.~~

~~14. A metal baking pan having a plurality of separated relatively shallow, small depressions in the bottom and walls thereof.~~

~~15. A metal baking pan having a plurality of relatively small, shallow depressions formed therein arranged in rows in at least two directions, said rows being separated one from the other by relatively low and narrow elevations.~~

~~16. A metal baking pan having a series of shallow,~~

ERE 96376—12

~~relatively small depressions formed in and throughout the bottom thereof.~~

A' ~~17. A metal baking pan having a series of shallow, relatively small depressions formed in and throughout the bottom thereof, said depressions being aligned in rows in at least two directions.~~

~~18. A metal baking pan having a series of shallow, relatively small depressions formed in the bottom thereof and aligned in rows in at least two directions, said rows being separated one from the other by relatively low and narrow elevations.~~

~~19. A metal baking pan having a series of relatively small, shallow depressions formed in and throughout the bottom and walls thereof.~~

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213 REMARKS

Attention is called to the several interviews on October 27th and 28th, 1936 with the Examiner in charge of this application, at which time it was conceded by the Examiner that the structures disclosed herein were probably patentable if suitable claims were submitted. The claims inserted hereby have been drawn in view of the said interviews and are thought to properly define the present invention in view of the art cited.

As pointed out during the aforementioned interviews with the Examiner, the strengthening of the pan structure is only one of the several objects and functions attainable by the present invention. In addition to preventing warping and otherwise strengthening the pan, the present pan provides means not only of uniformly and evenly distributing the grease employed on the inner face of the pan during baking, but also of holding the grease so distributed. While the present pan can, of course, be dented and will receive, to some extent, smudges, finger prints, etc., its construction and appearance is such that the same will not be readily noticeable and hence marketability is greatly increased in pans constructed in accordance with the present invention over pans having plain walls and bottoms.

By increasing the strength of the pan in all directions,

the bottom of the pan is maintained in substantially the same place at all times so that when in the oven, it will contact the oven hearth or floor at all points, thereby producing even and uniform baking throughout the pan. In cooky sheets, as heretofore made, which are large, relatively shallow pans usually having no wall at one end, the tendency is for the sheet to warp

96376—14

216 so that some portions or parts of the bottom are elevated from the oven hearth or floor, while other parts or portions of the bottom rest in direct contact with the floor of the oven. Obviously, those cookies baked on the elevated portions of the pan bottom are relatively light or even underdone, while those baked on the parts of the pan bottom resting directly on the oven hearth or floor are relatively darker or sometimes overdone. The present invention, by preventing warping of the pan bottom produces a uniform bake of all the cookies or pieces in or on the sheet.

The foregoing objects or functions all resulting from one pan construction are not attainable in and from the devices of the prior art patents cited. The corrugations in the bottom of the pie plate of the Park patent of course strengthen the pan transversely of the corrugations, but they obviously do not strengthen the pan longitudinally of or diagonally to the corrugations. In other words, the pan bottom of Park resists any tendency to warp transversely the corrugations, but no means is provided to prevent warping longitudinally of or diagonally to the said corrugations. No pockets are provided in Park to evenly distribute the grease within the pan and to maintain it so distributed. Grease would settle in the spaces between the corrugations of Park, but could and probably would locate at or gravitate to either end thereof, especially if there were any warpage of the pan bottom.

As to discolorations, smudging and denying of new pans such as disclosed in Park, the latter having no all-over pattern as in the present construction does not provide means for concealing dents, etc. and does not break its surface in all directions to prevent finger prints, smudges and the like from

96376—15

217 becoming instantly and prominently apparent and manifest.

It is thought that the claims submitted herewith bring out the foregoing distinctions over the art cited and are therefore allowable.

Respectfully submitted
Charles S. Wilson
Attorney for Applicant

Chicago, Illinois
December 22, 1936

96376—16

218 Serial No. 96,376 Paper No. 5
Sub. Power of Attorney

(Stamps) Docket Division Jan 15 1937 U. S. Patent Office. U. S. Patent Office Jan 16 1937 Division 1. Mail Division Jan 15 1937 U. S. Patent Office.

35015 DDC

IN THE UNITED STATES PATENT OFFICE

Joseph G. Jackson
Serial No. 96,376
Filed August 17, 1936
Baking Pans and Material } Div. 1 Room 6624

SUBSTITUTION OF ATTORNEY

I, Charles S. Wilson, hereby withdraw my appearance as attorney for the applicant herein, and consent to the substitution of Stanley Hoods, as attorney in my place and stead.

Charles S. Wilson
Charles S. Wilson

I, Stanley Hoods, hereby enter my appearance as attorney for the applicant herein, in lieu of Charles S. Wilson, withdrawn.

Stanley Hoods
Stanley Hoods

Joseph G. Jackson, hereby consents to the withdrawal of Charles S. Wilson, as his attorney in the above appli-

cation, and to the substitution of Stanley Hoods in his place and stead.

Joseph G. Jackson
Joseph G. Jackson

Stanley Hoods
c/o Edward Katzinger Co.
1949 North Cicero Ave.
Chicago, Illinois

96376—17

219 Div. 1 Room 6624 L:ERE Paper No. 6

260

Address only "The Commissioner of Patents, Washington, D. C.," and not any official by name

All communications respecting this application should give the serial number, date of filing, and name of the applicant

DEPARTMENT OF COMMERCE
United States Patent Office
Washington

February 2, 1937

(Stamp) Mailed Feb 2—1937.

Please find below a communication from the Examiner in charge of this application.

Conway P. Coe,
Commissioner of Patents.

Stanley Hoods,
c/o Edward Katzinger Co.,
1949 North Cicero Ave.,
Chicago, Illinois

Applicant: Joseph G. Jackson
Ser. No. 96,376
Filed August 17, 1936
For Baking Pans and Material

Responsive to amendment filed Dec. 24, 1936.

Additional art:

Andersen	835,876	Nov. 13, 1906	53-10
Cortz	1,625,243	Apr. 19, 1927	219-19
Munn	2,008,767	July 23, 1935	53-5

In the citations, the Examiner regards the structure as being the full mechanical equivalent of a bake pan. It is held that any device that bakes an article can be regarded, in its broadest sense, as a bake pan.

Claims 12, 13, 15, 17 and 18 are rejected on either Anderson or Cortz.

Claim 16 is rejected on the patent to Munn.

No real or patentable distinction appears to reside between claims 14 and 19, one of which may be allowed.

In the absence of the Assistant Examiner, this action is made by the Principal Examiner.

The suggestion is offered that if several claims are presented to a sheet metal baking pan, the bottom being stamped into alternate elevations and depressions, aligned in at least two directions, they would probably receive favorable consideration. Further, a sheet metal baking pan, the material thereof being stamped into alternate depressions and elevations aligned in at least two directions, also might be favorably considered.

A metal baking pan could be of iron with the baking

96376—18

220 Serial No. 96,376 —2—

surface cast into the form disclosed by applicant. The claims cover such construction which the Examiner holds is not patentable over the prior art.

F. A. Soeffler
Examiner.
96376—19

221 Serial No. 96,376 Amendment B. Paper No. 7

(Stamps) Application Div. Feb 23 '37 U. S. Patent office. U. S. Patent Office Feb 24 1937 Division 1.

IN THE UNITED STATES PATENT OFFICE

Joseph G. Jackson
Baking Pans and Material
Filed August 17, 1936
Serial No. 96,376

Division 1
Room 6624

The Commissioner of Patents
Washington, D. C.

Sir: Responsive to the Official Action dated February 2,

1937, Paper No. 6, the above entitled application is hereby amended as follows:

Page 1 of the specification, at end of paragraphs 4 and 5, respectively, change (:) to (;); at end of line 2 from bottom of page, change (:) to (;).

Page 3, line 10, change "pockets and projection" to —depressions and elevation— ; line 18, change "reasily" to —readily— .

Page 4, lines 10, 13, 14, 17 and 21, change "projections" to —elevations—.

Page 5, lines 7, 14 and 24, change "projections" to —elevations— ;

Cancel the claims in this application and substitute the following:

---

hand coretd

1. ~~20.~~ A sheet metal baking pan having a bottom stamped into alternate elevations and depressions, aligned in at least two directions.

B¹

2. ~~21.~~ A sheet metal baking pan having the material thereof stamped into alternate elevations and depressions aligned in at least two directions.

3. ~~22.~~ A sheet metal baking pan having a series of alternately arranged relatively shallow depressions and elevations aligned in at least two directions.

96376—20

222

4. ~~23.~~ A sheet metal baking pan having a plurality of relatively small, shallow depressions formed therein arranged in rows in at least two directions, said rows being separated one from the other by continuous, relatively low and narrow elevations.

B¹ Coretd

5. ~~24.~~ A sheet metal baking pan having a series of shallow, relatively small depressions formed in the bottom thereof and aligned in rows in at least two directions, said rows being separated one from the other by relatively low and narrow elevations, part of which are continuous and part interrupted by other elevations.

6. ~~25.~~ A metal baking pan having a plurality

of separated relatively shallow, small depressions in the bottom and walls thereof. sig.

REMARKS.

At a personal interview on February 23rd with the Examiner in charge of this application, the following references were considered.

Ball	495,872	April 18, 1893
Mullins	563,675	July 7, 1896

The claims submitted herewith have been drafted upon careful consideration of these references and are thought to present patentable novelty thereover.

The claims suggested in the last office action have been inserted by way of new claims 20 and 21.

Claim 22, submitted herewith, defines the depressions as being relatively shallow and aligned in at least two directions.

Claim 23 includes relatively small, shallow depressions aligned in at least two directions, said depressions being separated by continuous, relatively low and narrow elevations.

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223 Claim 24 includes the depressions as defined in claim 23 including relatively low and narrow elevations, part of which are continuous and part interrupted by other elevations.

Claim 14, which has been allowed, is submitted herewith in the form of claim 25, in accordance with the Examiner's suggestion.

The foregoing amendment is believed to place this application in condition for allowance, and such action is respectfully solicited.

Respectfully,

Stanley Hoods
Attorney for Applicant.

Washington, D. C.,
February 23, 1937.

96376—22

260

Address only "The Commissioner of Patents, Washington, D. C.," and not any official by name

All communications respecting this application should give the serial number, date of filing, and name of the applicant

DEPARTMENT OF COMMERCE
United States Patent Office
Washington

March 4, 1937

(Stamp) Mailed Mar 4—1937.

Please find below a communication from the Examiner in charge of this application.

Conway P. Coe
Commissioner of Patents.

Stanley Hoods,
c/o Edward Katzinger Co.
1949 North Cicero Ave.,
Chicago, Illinois.

Applicant: Joseph G. Jackson
Ser. No. 96,376
Filed Aug. 17, 1936
For Baking Pans and Material

Responsive to amendment filed Feb. 23, 1937.

In revising this case for issue, it is noticed that the oath was executed on December 30, 1935, whereas the application was not filed until August 17, 1936.

A new oath is required.

When received, the application will be passed to issue.

F. A. Soeffler
Examiner.
96376—23

225 Serial No. 96,376 Paper No. 9
Amendment C & Oath

35015 (Stamps) Mail Division Mar 8 1937 U. S. Patent Office. U. S. Patent Office Mar 9 1937 Division 1

IN THE UNITED STATES PATENT OFFICE

Joseph G. Jackson
Serial No. 96,376
Filed Aug. 17, 1936
For Baking Pans and Material
} Division 1
Room 6624

The Commissioner of Patents,
Washington, D. C.

Sir:

In response to Office Action dated March 4, 1937, Paper No. 8, a new oath is forwarded herewith.

It is noted that the title appearing in the Petition of this application as "Baking Pan and Material" should be changed to "Baking Pans and Material" in accordance with the title as it appears in the preamble of the specification and the new oath filed herewith.

The Examiner's statement that this application will be passed to issue upon receipt of the new oath is noted.

Respectfully,
Stanley Hoods
Attorney for Applicant

Chicago, Illinois
March 6, 1937
AH

96376—24

226 IN THE UNITED STATES PATENT OFFICE

(Stamps) Mail Division Mar 8 1937 U. S. Patent
35015 Office. U. S. Patent Office Mar 9 1937 Division 1.

Joseph G. Jackson
Serial No. 96,376
Filed Aug. 17, 1936
For Baking Pans and Material
} Division One
Room 6624

NEW OATH

State of Illinois,
County of Cook—ss:

Joseph G. Jackson, the above named petitioner, being first duly sworn, deposes and says: that he is a citizen

of the United States and a resident of Oak Park, in the county of Cook and State of Illinois; that he verily believes himself to be the original, first and sole inventor of the improvements in Baking Pans and Material described and claimed in the above entitled application Serial No. 96,376 filed August 17, 1936, and illustrated in the drawings thereof; that he does not know and does not believe that the same was ever known or used before his invention or discovery thereof, or patented or described in any printed publication in any country before his invention or discovery thereof, or more than two years prior to this application, or in public use or on sale in the United States for more than two years prior to this application; that said invention has not been patented in any country foreign to the United States on an application filed by him or his legal representatives or assigns more than twelve months prior to this application; and that no application for patent on said improvements has been filed by him or his representatives or assigns in any country foreign to the United States except as follows: In Great Britain on February 9, 1937.

Joseph G. Jackson

Subscribed and Sworn To before me this 6th day of March, 1937.

John Kemp
Notary Public.

My commission expires Jan. 12, 1939

96376—25

227 181

Address only The Commissioner of Patents, Washington, D. C.

Serial No. 96,376

ERE Div. 1

DEPARTMENT OF COMMERCE
United States Patent Office
Washington

March tenth, 1937

Joseph G. Jackson

Your Application for a patent for an Improvement in

Baking Pans and Material filed Aug. 17/36 has been examined and Allowed with 6 claims.

The final fee, Thirty Dollars, With $1 Additional for Each Claim Allowed in Excess of 20, must be paid not later than Six Months from the date of this present notice of allowance. If the final fee be not paid within that period, the patent will be withheld, but the application may be renewed within one year after the date of the original notice with a renewal fee of $30 and $1 additional for each claim in excess of 20.

The office delivers patents upon the day of their date, on which date their term begins to run.. The preparation of the patent for final signing and sealing will require about four weeks, and such work will not be begun until after payment of the necessary final fee.

When the final fee is paid, there should also be sent, Distinctly and Plainly Written, the name of the Inventor, Title of the Invention, and Serial Number as Above Given, Date of Allowance (which is the date of this circular), Date of Filing, and, if assigned, the Names of the Assignees.

If it is desired to have the patent issue to an Assignee or Assignees, an assignment containing a Request to that effect, together with the Fee for recording the same, must be filed in this office on or before the date of payment of the final fee.

After issue of the patent, uncertified copies of the drawings and specifications may be purchased at the price of Ten Cents Each. The money should accompany the order. Postage stamps will not be received.

The final fee will Not be received from other than the applicant, his assignee or attorney, or a party in interest as shown by the records of the Patent Office.

Notice.—When the Number of Claims Allowed Is in Excess of 20, No Sum Less than $30 plus $1 Additional for Each Claim in Excess of Twenty Can Be Accepted as the Final Fee.

Respectfully,

Conway P. Coe,
Commissioner of Patents.

Stanley Hoods,
c/o Edward Katzinger Co.,
1949 North Cicero Ave.,
Chicago, Illinois.

(Stamp) Mailed Mar 10 1937.

(In left margin) ☞ In remitting the final fee give the Serial Number at the head of this notice.

(In right margin) ☞ Uncertified checks will not be accepted.

97376—26

228 Cable Address "EKCO" Chicago

Established 1888
Incorporated 1903

EDWARD KATZINGER COMPANY
1949 North Cicero Avenue
Chicago

(Stamp) Mail Division Mar 20 1937 U. S. Patent Office Check ~ 30.00.

March 18, 1937

35015

The Commissioner of Patents,
Washington,
D. C.

Re: Joseph G. Jackson
Serial No. 96376
Filed Aug. 17, 1936

Sir:

Herewith please find our check for Thirty Dollars ($30.00) duly certified, in payment of the final fee in the above application.

An assignment of the entire interest in the above application, containing a request that the patent issue to Edward Katzinger Company, a corporation, as assignee, is also forwarded herewith. Please record the same, charging the cost thereof to the Patent Office account of Edward Katzinger Company.

Respectfully,

Edward Katzinger Company,
By Stanley Hoods
Stanley Hoods.

IJ

96376—27

April 20, 1937. J. G. JACKSON 2,077,737

BAKING PAN AND MATERIAL

Filed Aug. 17, 1936

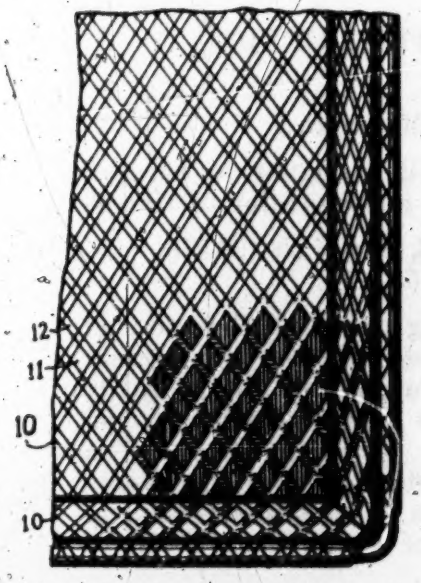


Fig. 1.

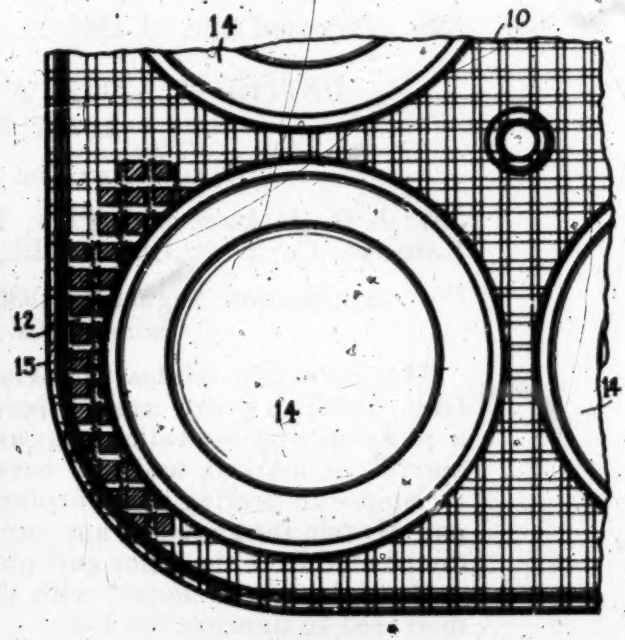


Fig. 2.

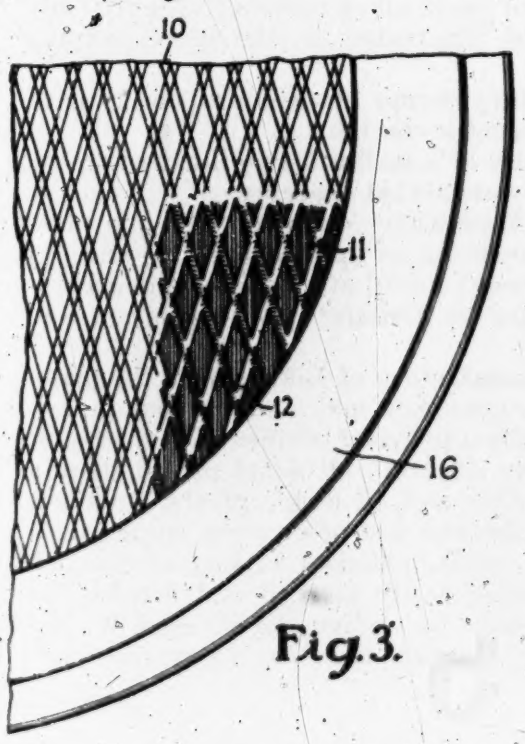


Fig. 3.

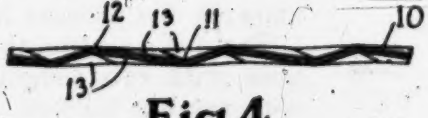


Fig. 4.

Inventor
Joseph G. Jackson
By Charles S. Wilson
Attorney

230 Patented Apr. 20, 1937 2,077,757

UNITED STATES PATENT OFFICE

2,077,757

Baking Pan and Material

Joseph G. Jackson, Oak Park, Ill., assignor to Edward Katzinger Company, Chicago, Ill., a corporation of Illinois

Application August 17, 1936, Serial No. 96,376
6 Claims. (Cl. 53—6)

This invention relates to baking pans and the material from which they are made, whereby the pan will present a pleasing and appealing appearance, will not be easily scarred or marked, and will have increased strength and resistance to denting and warping. It also contemplates a pan wherein the grease, if any, used in baking will be evenly distributed over the inner surfaces of the pan and the pan surfaces in direct contact with the dough therein will be increased to improve the bake.

With the above and other objects in view, as will be apparent, this invention consists in the construction, combination and arrangement of parts all as hereinafter more fully described, claimed and illustrated in the accompanying drawing, wherein:

Fig. 1 is a fragmentary corner elevation of one type of pan embodying the present invention;

Fig. 2 is a similar view of a muffin frame illustrating the present construction incorporated therein;

Fig. 3 likewise is a fragmentry elevation of a pie plate showing the present invention as applied thereto; and

Fig. 4 is a section through a wall of a pan made in accordance with this invention to illustrate the formation and construction thereof.

Heretofore, in the manufacture of baking pans the material or metal used has generally had a plain, smooth, uninterrupted and generally a polished surface with the result that every defect in the material, all dents placed therein from one cause or another and all finger prints, smudges, and the like appeared thereon and often were emphasized. Therefore, the smooth, plain, polished surface of the pan walls in addition to being easily marred and dented, did not present a particularly attractive appearance on display, especially after the article has been frequently handled.

In addition to this, the average baking pan made of smooth, flat material warps easily and frequently becomes distorted unless the gauge or thickness of the metal from which the pan is made is greatly increased. This is particularly true of relatively large and shallow pans such as cookie sheets. It is customary to grease the interior of a baking pan prior to placing the dough therein and in the pans prior hereto the smooth uninterrupted surfaces thereof have provided no means for holding such grease and causing an even distribution thereof.

The present invention contemplates a baking pan that will overcome the objectionable features of the prior pans, by providing an over-all geometric design or pattern in one or more of the pan walls which will produce a series of alternate depressions and elevations throughout the surface of the pan wall. When the material of the pan is thus treated by having an over-all geometric design or pattern impressed or formed therein, the pan will be greatly strengthened and the appearance vastly improved. The forming of an over-all pattern or design in the material of the pans removes all stress, strains, and buckles therefrom and conceals any and all defects which may occur in the material. Furthermore, pans so constructed may be readily handled during the display thereof without finger prints or smudge being obvious and glaring.

Certain types of pans such as cookie sheets when made of smooth, flat sheets warp readily and do not ship flat, whereas, when made in accordance with the present invention additional strength is provided throughout the walls, as well as at the edges thereof to prevent warpage and to maintain the pans at all times relatively flat.

By having the alternate depressions and projections over the surface of the pan wall or walls, the heating surface contacting with the contents of the pan is materially increased and there is a more uniform distribution of the grease over the entire pan surface. In this manner the baking in a pan made in accordance with the present invention is greatly improved over that in the pans with smooth flat walls.

Reference being had more particularly to Figs. 1, 3 and 4 of the drawing, 10 designates the walls, either side or bottom, of a baking pan. These walls 10 are formed from sheets of any suitable metal and have alternate depressions 11 and elevations 12 created therein by stamping, rolling and by any other suitable means. The formation of the

depressions 11 in one face of the wall 10 creates the elevations 12 on the opposite face of the wall, so that the depressions 11 and elevations 12 of one face of the wall are complemental to the similar elements of the opposed face of the wall.

The elevations 11 and projections 12 may be arranged in any suitable pattern, two examples of which are shown respectively in Figs. 1 and 2 of the drawing. By reference to Fig. 4 of the drawing it will be observed that the depressions 11 and elevations 12 may, if desired, be formed with the facets 13 which add to the strength of the wall and present a pleasing and attractive appearance.

In Fig. 2, showing the present invention applied to a muffin frame, the pattern is not applied to the cups 14, but is applied to the sheet or frame 15 in which the cups are carried. In this form of the invention the frame or sheet 15 is greatly strengthened and its appearance vastly improved.

In Fig. 3 is shown another application of the present invention, viz. the application thereof to a pie plate. Here the side wall 16 of the pan is plain but the bottom 10 thereof has the present invention applied thereto.

In practicing this invention the alternately arranged depressions 11 and elevations 12 arranged in any suitable pattern or design may be rolled, impressed or otherwise formed on the sheets of metal from which the pan is made prior to the formation of the pan, or may be formed in the pan walls during or after the formation of the pan. It has been found that where the sheets from which the pans are to be made are provided with the alternately arranged depressions and elevations 11—12, the same can be readily rolled into the metal but where they are placed in the pan wall or walls during or after the formation of the pan, it has been found desirable to do this by a stamping operation.

From the foregoing, it is manifest that the strength of the pan is greatly increased by the construction herein described; that dents, scars and defects in the metal will not be apparent; that any grease applied to the interior surface of the pan will settle and be held by the several depressions 11 and that the provision of facets 13 in combination with the depressions 11 and elevations 12 will create an extremely attractive and pleasing article.

What is claimed:

1. A sheet metal baking pan having a bottom stamped

into alternate elevations and depressions, aligned in at least two directions.

2. A sheet metal baking pan having the material thereof stamped into alternate elevations and depressions aligned in at least two directions.

3. A sheet metal baking pan having a series of alternately arranged relatively shallow depressions and elevations aligned in at least two directions.

4. A sheet metal baking pan having a plurality of relatively small, shallow depressions formed therein arranged in rows in at least two directions, said rows being separated one from the other by continuous, relatively low and narrow elevations.

5. A sheet metal baking pan having a series of shallow, relatively small depressions formed in the bottom thereof and aligned in rows in at least two directions, said rows being separated one from the other by relatively low and narrow elevations, part of which are continuous and part interrupted by other elevations.

6. A metal baking pan having a plurality of separated relatively shallow, small depressions in the bottom and walls thereof.

Joseph G. Jackson.

231 421

3/20/37 1936

CONTENTS

1. Application 2 papers.
2. Print Aug 21, 1936.
3. Rej. Oct. 3, 1936.
4. Agndt A Dec. 24, 1936
5. Sub. Power of Attorney Jan. 15, 1937.
6. Rej. Feb. 2, 1937.
7. Amendment B. Feb. 23, 1937.
8. Letter Mar. 4, 1937
9. Amendment C & Oath Mar. 8, 1937.

232 DEFENDANT'S EXHIBITS NO. 3 AND 3-a.

Defendant's Exhibit N . 3

37050

April 22, 1937

Chicago Metallic Mfg. Co.
3711 S. Ashland Ave.
Chicago, Ill.

Gentlemen:

Your brand of tinware marketed under the name of Bakerex is identical with our line of tinware marketed under the name of Ovenex which we introduced to the trade.

We hold U. S. Patent No. 2,077,757, a copy of which is enclosed herewith.

Your goods directly infringe the claims of this patent.

We, therefore, respectfully request that you immediately discontinue the manufacture and sale of the goods referred to, and that you also consider yourself and your customers strictly and fully accountable to us for any and all sales from and after April 20, 1937, of tinware of this kind.

Kindly acknowledge receipt of this notice.

Yours very truly,

Edward Katzinger Company
M. King Schrager, Sec'y.

MKS:RR

(Stamp) Filed May 27 1942 at ..... o'clock .....
Hoyt King Clerk.

Defendant's Exhibit 3-A

37050

RETURN RECEIPT

———

Received from the Postmaster the Registered or Insured Article, the original number of which appears on the face of this Card.

Chicago Metallic
(Signature or name of addressee)

E. Kolb
(Signature of addressee's agent)

Date of delivery 4-23, 1937

Form 3811 U. S. Government Printing Office c5—6116

(reverse side)

Post Office Department
Official Business

Penalty for Private Use to Avoid Payment of Postage, $300

Registered Article
No. Registered No. 599146
Insured Parcel
No. .....

Postmark of Delivering Office

Return to Edward Katzinger Co. (M.K.S.)
(Name of Sender)

Street and Number, or Post Office Box, 1949 N. Cicero Ave.

Post Office at Chicago, Ill.

Rev. 3-24 c5—6116 State.....

(Stamp) Chicago, Ill. Apr 3 6:30 PM 1937 Stock Yards Sta.

234 DEFENDANT'S EXHIBIT No. 4.

October 20, 1939

Chicago Metallic Manufacturing Co.
3711 S. Ashland Avenue
Chicago, Illinois

Gentlemen:

I enclose herewith letter in duplicate which will serve as an amendment to our Ovenex license agreement, dated October 1, 1937—this in accordance with arrangement made by you with Mr. Arthur Katzinger.

So that we may be in a position to check your reports, I will appreciate your advice as to whether in the future you will prefer to include in a single report the sale of pans marketed by you both under the name of "Bakerex" and "Bake-King" or whether you would prefer to make separate reports for each brand name.

We also call your attention to the provision of Paragraph 6 requiring you to mark the pans sold by you with the patent number. Several samples that we have seen

do not show our patent number marking. We sent you a letter under date of November 1, 1937 on this subject.

Please execute one of the copies covering the revision and return to us, retaining the other for your files.

Yours very truly,

Edward Katzinger Company
M. King Schrager, Secretary

MKS:MN

(Stamp) Filed May 27 1942 at ..... o'clock .....
Hoyt King Clerk.

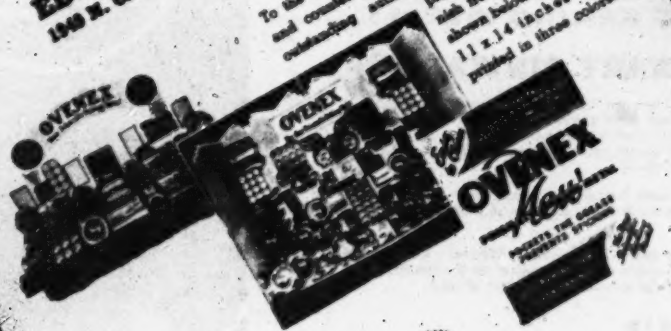
Defendant's Exhibit No. 5

Pep up those lanquid Tinware Sales with OVENEX

Housewives who would not ordinarily replace their battered, discolored tinware with new, now buy a complete set of Ovenex. It is new and different and appeals to their taste for beauty and practical utility. Wherever your tinware sales have lagged, show Ovenex and pep them up. Ovenex will sell itself; but aided with effective window and counter displays, it will bring you greater tinware sales than you ever had before.

EDWARD KATZINGER CO.
1340 N. Cicero Ave. Chicago, Ill.

To the left and below are suggested window and counter displays arranged for us by an outstanding authority on sales-making displays. We will gladly furnish free the display card shown below. It measures 11 x 14 inches and is printed in three colors.



....and now it's OVENEX The New Prismatic Baking Metal

This sample 6 Jan 1936

....an exclusive EKCO development

236

Created by EKCO

In keeping with its policy of always being the first with new developments, The Edward Katzinger Co. has created and now presents OVENEX, the new Prismatic baking metal— [illegible] and a counter flash without equal.

OVENEX Radiant Modern Household Tinware

THE NEW PRISMATIC BAKING METAL...

SIX OUTSTANDING ADVANTAGES OVER ORDINARY TINWARE

1. **Ovenex is stronger.** Corrugated board is stronger than ordinary cardboard — a corrugated roof is stronger than a flat tin roof. By applying a similar principle in baking pans, we give tinware additional strength and many baking advantages.

2. **Ovenex reduces sticking.** The surfaces of an Ovenex pan are a series of tiny pockets which catch and hold the grease and keep it evenly distributed. No area has more grease than another and sticking, therefore, is reduced to an absolute minimum.

3. **Ovenex insures a better bake.** Because of the prismatic embossing, the heat distribution of Ovenex is perfectly even, and Ovenex makes certain a uniform golden brown color over the entire crust surface.

4. **Ovenex bakes faster.** From the form of the prismatic design, it is apparent that there is more actual metal surface in an Ovenex pan, and because of this greater area in contact with heat, more heat units are absorbed and conducted through it. The dough naturally absorbs this increased heat and a faster bake is the natural result.

5. **Ovenex is cleaner.** Because baked goods stick less when grease is uniformly distributed, it is apparent that less scraping and cleaning is necessary with Ovenex.

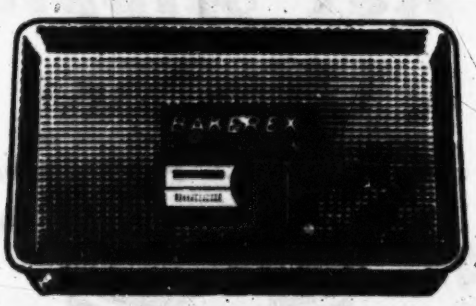
6. **Ovenex has greater eye appeal.** It is new - different - entirely out of the "tinware" class - and, presents a magnificent flash on the counter - one reason why it is proving so popular from the retail point of view.

Ovenex is Shipped from Chicago only

BAKEREX

THE NEW BETTER BAKE PANS

BRIGHTENS AND PEPS UP YOUR TINWARE COUNTER.



INCREASES YOUR SALES VOLUME! PRICED LOW FOR YOUR PROFIT

Made of THE NEW STIPPLED SILVER STEEL

Scientifically designed for perfect heat circulation making the baked goods fluffier, lighter and better looking. Easily cleaned — no sticking — the perfect pans for better baking.

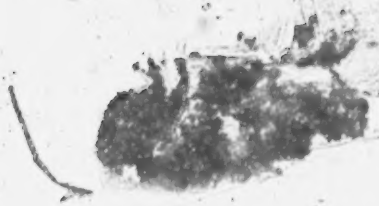
VERY BRIGHT AND ATTRACTIVE IN APPEARANCE — NEW AND DIFFERENT. A FINER QUALITY LINE THAT IS GOING OVER! A BEAUTIFUL THREE-COLORED LABEL IN EACH PAN.

The following popular items are stocked in Bakerex for prompt shipment.

No.	Size	Shipping Wt. per Dz.	Net Per Dz.
	BREAD PANS		
B-11	9 x 5 x2¾	7 lbs.	
B-22	9¾x 5¾x2¾	8 lbs.	
B-33	10¾x 6¾x2¾	9 lbs.	
	LONG LOAF PAN		
B-44	13 x 4½x2½	9 lbs.	
	OBLONG BISCUIT PANS		
B-130	11 x 7¼x1⅜	7 lbs.	
B-140	14 x 9 x1½	10½ lbs.	
B-245	13 x 9¼x2	12 lbs.	
B-70	12 x 8 x ⅞	7½ lbs.	
	SEAMLESS SQUARE BISCUIT PANS		
B-110	7½x 7½x1⅜	4½ lbs.	
B-120	9 x 9 x1½	7 lbs.	
B-225	10 x10 x2	9 lbs.	
B-150	9 x 9 x2	7½ lbs.	
B-160	9 x 9 x2½	8 lbs.	
	SEAMLESS COOKIE PANS		
B-72	9 x12½x ⅜	7½ lbs.	
B-73	10 x14 x ⅝	10 lbs.	
B-74	11 x16 x ¾	11½ lbs.	
B-77	12 x18 x1	15 lbs.	
	TEA BISCUIT MUFFIN PANS		
B-5008	8 cups	6 lbs.	
B-5008T	8 Turkhead cups	6 lbs.	
	Cup size 2⅛x1⅛		

No.	Size	Shipping Wt. per Dz.	Net Per D
	TURKHEAD MUFFIN PANS		
B-216	6 cup	6 lbs.	
B-218	8 cup	8 lbs.	
B-222	12 cup	11 lbs.	
	Cup size 3x1¼		
	VARIETY MUFFIN PANS		
B-406	6 cup	6 lbs.	
B-408	8 cup	8 lbs.	
B-412	12 cup	11 lbs.	
	Plain Fluted and Turk Cups		
	DEEP PIE PLATES		
B-1105	5 x 1¼	1½ lbs.	
B-1106	6x1⅛	2 lbs.	
B-1109	9x1¼	3½ lbs.	
B-1110	10x1⅜	4 lbs.	
B-1111	11 x 1⅜	4½ lbs.	
	MOUNTAIN CAKE PANS		
B-2109	9x1⅜	4 lbs.	
B-2110	10x1⅜	4½ lbs.	
	DEEP JELLY CAKE PANS		
B-2009	9x1	3¼ lbs.	
B-2010	10x1	4½ lbs.	
	E-Z OUT PIE PLATES		
B-1109K	9x1¼	4 lbs.	
B-1110K	10x1⅜	4½ lbs.	

Created by



		8 lbs.

SEAMLESS COOKIE PANS

B-72	9 x12½ x 3/8	7½ lbs.
B-73	10 x14 x 3/8	10 lbs.
B-74	11 x16 x 3/4	11½ lbs.
B-77	12 x18 x1	15 lbs.

TEA BISCUIT MUFFIN PANS

B-1008	8 cups	6 lbs.
B-1008T	8 Turkhead cups	6 lbs.

Cup size 2⅛x1⅛

MUFFIN PANS

B-206S	6 cups	5½ lbs.
B-208S	8 cups	7¼ lbs.
B-212S	12 cups	9½ lbs.

Cup size 3x1

CORN CAKE PANS

B-206D	6 cups	6 lbs.
B-208D	8 cups	8 lbs.
B-212D	12 cups	11 lbs.

Cup size 3x1¼

	11 x 1⅛	4½ lbs.

MOUNTAIN CAKE PANS

B-2109	9x1⅜	4 lbs.
B-2110	10x1⅜	4½ lbs.

DEEP JELLY CAKE PANS

B-2009	9x1	3¼ lbs.
B-2010	10x1	4½ lbs.

E-Z OUT PIE PLATES

B-1109K	9x1¼	4 lbs.
B-1110K	10x1⅜	4½ lbs.

E-Z OUT JELLY CAKE PANS

B-2009K	9x1	4¼ lbs.
B-2010K	10x1	4¾ lbs.

E-Z OUT MOUNTAIN CAKE PANS

B-2109K	9x1⅜	4¼ lbs.
B-2110K	10x1⅜	5 lbs.

SPRING FORM CAKE PANS

B-300	Tubed Bottom	17 lbs.
B-303	Plain Bottom	15 lbs.
B-305	Both Bottoms	21 lbs.

Pan size 9½x3¼

240

CHICAGO METALLIC MFG. CO.

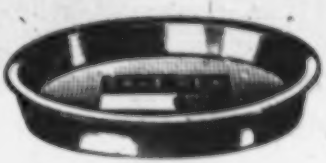
So. Ashland Ave. Chicago, Ill.

Bake Rex Stipple-Ware

THE BETTER BAKE PANS

Easily Cleaned — Don't Stick — Produces Better Baked Goods

E. Z. Out Jelly Cake Pan

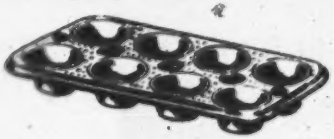


Mt. Cake Pan

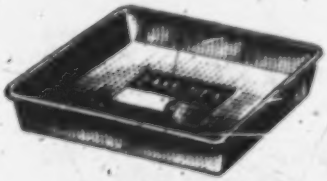
Muffin Pan

E. Z. Out Pie Plate

Pie Plate

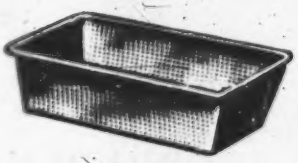


Tea Biscuit Pan



Square Biscuit Pan

Oblong Biscuit Pan



Bread Pan

Cookie Pan

FAST SELLING ASSORTMENTS
AT
REAL PROFITS TO YOU
Shown On Other Side

Brighten Up Your Display and Build Up Your Sales and Profits with These Fine Assortments

CHICAGO METALLIC MFG. CO.

3711 South Ashland Avenue, Chicago

NEW YORK OFFICE
200 Fifth Avenue

LOS ANGELES OFFICE
2457 Enterprise Street

SAN FRANCISCO OFFICE
2598 Taylor Street

242

Defendant's Exhibit No. 7

NEVER BEFORE SUCH TINWARE!

With New Sales Appeal

● Bake-King Ware is a new development in bakeware that carries new sales appeal to step-up your tinware sales. The surfaces of Bake-King Ware have a beautiful hand-hammered appearance which will delight the housewife.

● At right is a group of representative pieces of the complete line which clearly shows the secret of baking efficiency of Bake-King Ware. The pleasing irregular embossed design is fully protected (never applied hot). Insist on genuine Bake-King Ware for greater consumer appeal.

● Photo, at left, shows results of laboratory test of plain, ordinary embossed tinnware, and on Bake-King Ware. Compare the uniform well-baked bottom crust of the loaf of the Bake-King Ware at the right with the others. The same formula was used, and all bakes were made at the same time in an electric oven with uniform temperature. Here is definite proof of Bake-King Ware's superiority. The irregular surface prevents the grease from flowing, and transmits the heat of the oven more evenly and faster. Bake-King Ware sells on sight. Its better baking qualities will bring the housewife back into the store for more.

THE PRODUCT

● America's pioneer quality-tinware manufacturer offers this new Bake-King Hand-Hammered Ware to stimulate your tinware sales—combined with a merchandising plan that will create repeat sales by bringing the housewife back to your store for additional purchases.

● Bake-King Ware is beautiful—yet has more practical utility than any tinware produced. Look at the unretouched photograph of actual laboratory baking tests. [illegible] the perfect bottom crust of the bake at the right, possible only with uniform [illegible] treatment. See the darker crust color that indicates a faster bake with less heat consumed. Bake-King Ware produces better baked goods — lasts longer than ordinary pans — is easier to clean.

Bake-King Ware has a finish on the counter that commands attention. Its attractive brilliance reaches out over a greater area in your stores without increasing your counter space.

Write today for complete information and samples. Be the first in your localities to feature this new fast-selling line of bakeware.

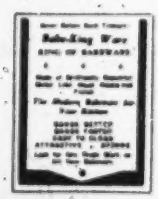
THE PLAN

THE LABEL

An attractive two-color label, part of the complete merchandising plan, is attached to each piece of Bake-King Ware. It acts as a little billboard on your counter and endeavors to bring the housewife back to your store for the balance of the Bake-King Ware line.

COUNTER CARD

Attractive 3-colored counter cards, 11" x 17", shown at left, will promote the sale of Bake-King Ware and will help your counter display to sell more merchandise.



THE BANNER

Bulletin banners or window streamers, 36" x 8", of two colors will call attention to the Bake-King Ware. These banners give the third step in the merchandising plan to step-up tinware sales and bring the housewife back into your store for additional purchases.

THE TRADE MARK

The trade mark, appearing above, is embossed in each piece of Bake-King Ware to serve as a positive identification and reminder each time it is handled.

CATALOG PAGES

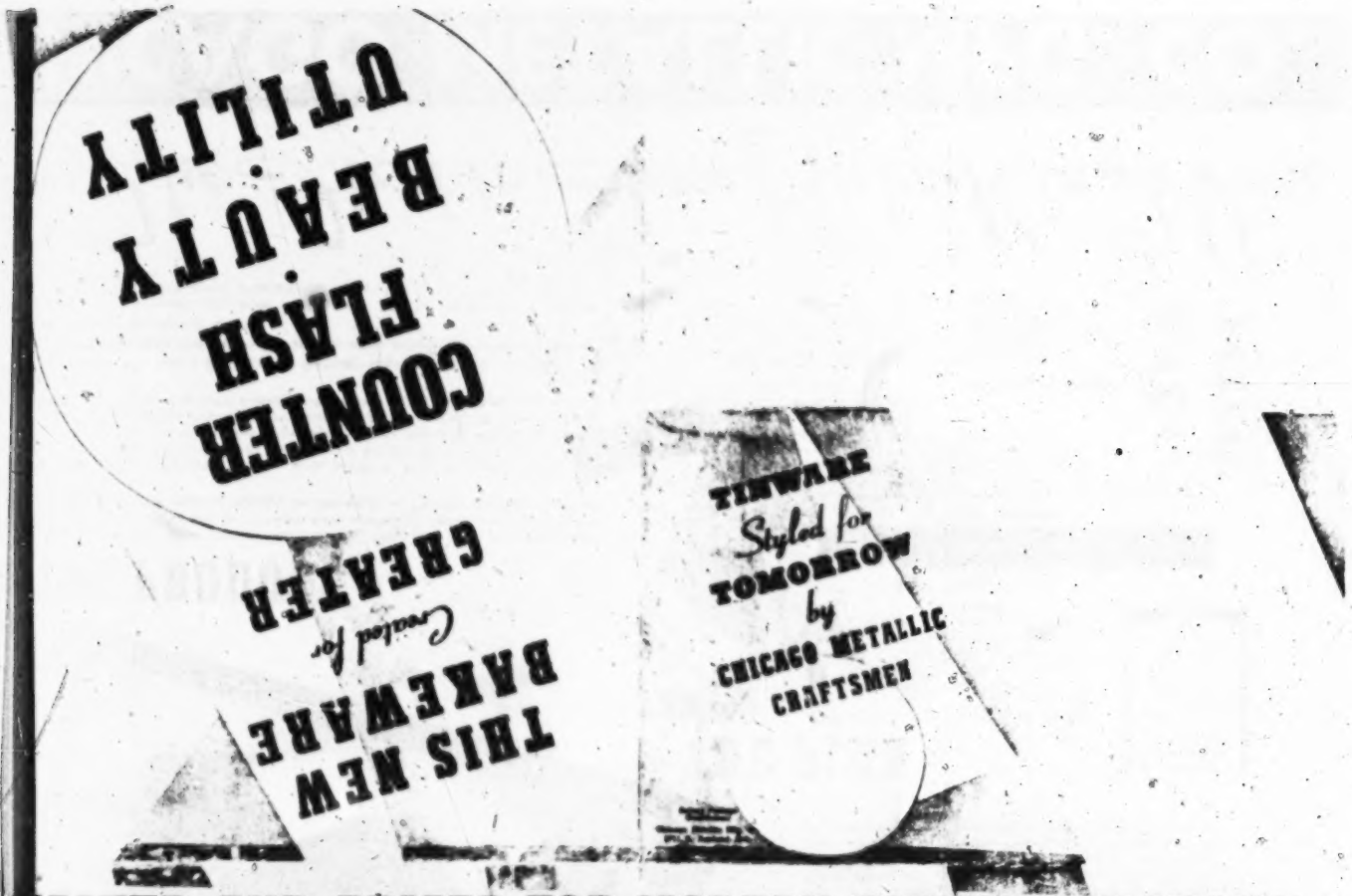
Catalog pages of [illegible] Ware describe the [illegible] line, listing points, list prices and [illegible] information. Ample quantities will be supplied on request.

Be The First to Show Bake-King Ware

CHICAGO METALLIC MFG. CO.

245

Defendant's Exhibit No. 8



REATED AND PRICED FOR MODERN KITCHEN ECONOMY

Bake-King Ware

COUNTER FLASH

1. Sparkles Like A Jewel
2. Puts Life On Your Counter
3. Attracts the Customer and Makes A Sale

BEAUTY

1. Rivals Hammered Ware
2. Matches Modern Kit
3. Pleases the Eye and Is Different

UTILITY

1. BAKES BETTER
   Better Heat Distribution
2. BAKES FASTER
   Greater Heat Radiation and Conduction
3. UNIFORM BROWN BOTTOM CRUSTS
   No Flooding of Grease to Corners
4. BETTER SHAPED LOAVES
   More Uniform Volume
5. STRONGER
   Irregular Design of Metal Provides Strength
6. EASY TO CLEAN
   No Hard Spots—No Sticking

Bake-King **TAKES THE TIN OUT OF TIN** *Ware*

246 And on, to wit, the 10th day of March, 1943, there was filed in the Clerk's office of said Court a certain Memorandum by Honorable William J. Campbell, District Judge, in words and figures following, to wit:

247 IN THE DISTRICT COURT OF THE UNITED STATES
* * (Caption—2647) * *

(Stamp) Received Mar 12 1943 Banning

MEMORANDUM

CAMPBELL, District Judge.

After a review of the evidence, briefs and arguments of the parties hereto, and the cases therein cited and the exhibits received at the trial herein, the Court finds the issues for the respondent. It is the opinion of the Court that the petitioner is estopped from questioning the validity of the two patents relied upon by the respondent herein. The decision of the Supreme Court in the case of *Sola Electric Company* v. *Jefferson Electric Company* so strongly urged by the petitioner as being applicable to this case, I feel is not in point. In this case no price fixing by the respondent has been proved by the petitioner. The evidence shows that the clause to which petitioner refers in its argument was inserted in the contract at the request of the petitioner. At no time did the respondent attempt to carry it out and the respondent was at all times willing to have same removed from the contract. For these and other reasons apparent upon a reading of the Supreme Court's opinion, I feel that the decision in the *Sola Electric Company* case is not controlling here.

However, I do not agree with the respondent that the petititoner is also estopped from questioning in these proceedings the matter of infringement. It is my opinion that the petitioner properly cites the prior art as well as the proceedings in the patent office in connection with the patents relied upon by the respondent in order that the Court might determine the nature and scope of the claims of the patents in suit and whether or not the petitioner's products infringe those claims.

The issue thus presented to the Court in this suit is whether or not the petitioner's Bake-King line of tinware infringes Jackson patents Nos. 2,077,757 and D-108,573.

It is my opinion that it does so infringe. These products of the petitioner admittedly are made by the process of the Jackson patent, only the sheet of tin is processed five or six times by the petitioner to manufacture its product instead of once or twice as is done by the respondent. The result of the petitioner's process is a finished product substantially the same in appearance as the respondent's and claiming identically the same advantages.

248 Accordingly the petition for declaratory decree will be dismissed and an injunction and accounting in accordance with the prayer of the respondent's counterclaim will be granted and costs will be taxed against the petitioner.

Counsel for the respondent may prepare and file with the Court, in writing, within twenty days from the date hereof, proposed findings of fact, conclusions of law, and a draft of a proposed decree, consistent with the views herein expressed, delivering copies thereof to counsel for the petitioner. Within twenty days of the receipt of such copies counsel for the petitioner may prepare and file with the Court, in writing, his observations with reference thereto and suggestions for the modification thereof, delivering a copy of such observations and suggestions to counsel for the respondent. Within ten days thereafter counsel for the respondent may present to the Court, in writing, his reply to such observations and suggestions. Whereupon, the matter of making findings of fact, conclusions of law and a decree herein will be taken by the Court without further argument.

Campbell
Judge.

March 10, 1943.

249 And on, to wit, the 9th day of April, 1943, came the Petitioner by its attorneys and filed in the Clerk's office of said Court its certain Motion for New Trial in words and figures following, to wit:

250 In the District Court of the United States.

* * (Caption—2647) * *

PETITIONER'S MOTION FOR NEW TRIAL

Now comes the Petitioner, Chicago Metallic Manufac-

turing Company, and under the provisions of Rule 59 of the Rules of Civil Procedure, moves the Court for a new trial, without additional testimony, and for the approval of the Findings of Fact and Conclusions of Law and Decree submitted by Respondent, and as reasons therefor submits the following:

1. The Court's conclusion stated in the Memorandum heretofore filed that "no price fixing by the Respondent has been proved by the Petitioner" is contrary to the evidence which establishes the fact that under the License agreement of October 1, 1937 the Petitioner was in terms prohibited from selling tinware embodying the subject matter of the Jackson Patent No. 2,077,757 and the Jackson Design Patent No. 108,573 at less than the list prices
251 fixed by the Respondent, and the Respondent in paragraph 13 of its answer to the Petition for a declaratory judgment, asserts "that said license Exhibit A has not been cancelled or terminated, and that the same remains and continues in full force and effect and binding upon the parties to said contract." In the stipulation of facts, paragraph 7, in denial of Petitioner's asserted right to terminate the license contract, Respondent on February 26, 1941 asserted that the contract was "in full force and effect".

2. The above allegation, insofar as it asserts the continuity of the price fixing provisions up to the date of termination, is a binding admission by Respondent which is confirmed by the evidence.

3. The maintenance of a minimum price schedule was a consideration for the royalties paid by Petitioner on the Bakerex line of tinware, and both parties up to the date of termination, regarded such provisions as binding and enforcible, acted on that assumption, and the Court's conclusions to the contrary are contradicted by the record.

4. The fact that the license contract contains a price fixing provision which undertakes to prohibit the licensee from selling to the public at a free minimum price,
232 extinguishes licensor's right to invoke an estoppel to investigate the validity of the patents, which alone, if valid, can furnish a legal basis for price fixing provisions.

5. When freed from any estoppel to investigate the validity of the patents in suit, the Court should have found

that said patents are invalid in view of the prior art in evidence and should have dismissed the Respondent's counter claim at Respondent's costs.

6. The Court on the basis of the pleadings and evidence should reject Respondent's proffered findings of fact and law and enter the findings submitted herewith.

7. In view of the waiver by Respondent's counsel of any accounting under the Design Patent No. 108,573, as appears on page 32 of the record, Respondent's proposed findings of law appearing in paragraphs 7 and 8 are not limited to the extent required to conform to the open court statements of counsel.

Wherefore, Petitioner prays that a new trial be granted on the basis of the present record and briefs heretofore filed, supplemented by Petitioner's brief in support of the present motion, and that the Court enter judgment in favor of Petitioner as herein prayed.

Chicago Metallic Manufacturing Company
By .....
.....
.....

253 And on, to wit, the 9th day of April, 1943, came the Petitioner by its attorneys and filed in the Clerk's office of said Court its certain Proposed Findings of Fact and Conclusions of Law in words and figures following, to wit:

254 IN THE DISTRICT COURT OF THE UNITED STATES
* * (Caption—2647) * *

FINDINGS OF FACT AND CONCLUSIONS OF LAW PROPOSED BY PETITIONER

FINDINGS OF FACT

1. Jackson Patent No. 2,077,757 and Design Patent No. 108,573 are the only patents requiring adjudication under the petition for declaratory decree and the counter claim.

2. The Edward Katzinger Company, Respondent, hereinafter referred to as "Katzinger" is a corporation organized and existing under the laws of the State of Illinois.

Chicago Metallic Manufacturing Company, Petitioner, hereinafter referred to as "Metallic," is a corporation organized and existing under the laws of the State of Illinois.

3. Prior to the invention of Joseph G. Jackson, described in Patent No. 2,077,757, issued April 20, 1937, and Design Patent No. 108,573, issued February 22, 1938, Katzinger and Metallic were engaged in the manufacture of tinware for baking purposes, and both companies had
255 manufactured the familiar smooth tin baking ware.

4. Early in 1936 Katzinger introduced the tinware described in Jackson Patent No. 2,077,757 and bearing the embossed pattern effect illustrated in Design Patent No. 108,573, and the product was favorably received in the trade.

5. Some time after Katzinger came on the market with the embossed tinware made under the Jackson patents above referred to, and which was marketed under the name "Ovenex", Metallic began to manufacture a similarly embossed line of tinware under the name "Bakerex". This manufacture commenced before the issuance of the Jackson patents and immediately upon the issuance of Patent No. 2,077,757 in the name of Katzinger (which was then and now is the owner thereof) notice of infringement was sent by Katzinger to Metallic. This notice was sent on April 22, 1937 and was duly received by Metallic.

6. Metallic did not then desire to contest the validity of the Jackson patents as applying to its Bakerex embossed tinware, and did not then desire to cease manufacturing the same. Negotiations between the parties followed, looking toward the granting of a license under the Jackson Patent No. 2,077,757, previously issued,
256 and certain design patent applications then pending, one of which afterward matured into No. 108,573. At the same time, the National Enameling and Stamping Company, of Milwaukee, Wisconsin, was interested in obtaining a similar license, and Metallic agreed to take whatever license National would take. Negotiations with National were completed in October, 1937, and a license agreement signed, and at the same time Metallic accepted a license, identical as to its terms, from Katzinger. This license is dated October 1, 1937, and a copy thereof is attached to the counterclaim of Katzinger as Exhibit A. Each license contains a price fixing restriction, in terms

obligating the licensee to maintain minimum prices for the licensed product at the basis to be fixed by Katzinger, and such minimum prices were in fact so fixed and maintained by Metallic in all its Bakerex tinware sold under the license.

The first draft of the license of October 11, 1937 was modified by the insertion of paragraph 14 as follows:

> "14. This contract shall remain in force for and during the life of the last expiring patent coming within the terms of this license unless sooner terminated by either party upon sixty days written notice to the other party, provided, however, that licensee may avail itself of this right to terminate only upon ceasing to manufacture, sell and distribute articles embodying or made in accordance with any of the licensed patents or applications, except as provided in
257 paragraph 9 hereof. Should licensee elect to terminate, as aforesaid, except as provided in paragraph 9 hereof, without ceasing to manufacture, sell, or distribute said articles it shall be estopped from denying the validity of said patent or patents, or any of them, and be deemed an infringer thereof."

This paragraph was written by Mr. Schrager of Katzinger, a licensed attorney but not a patent attorney.

7. Under the terms of paragraph 11 of the license contract, Katzinger delivered forthwith to Metallic a "schedule of minimum prices" applicable to the Bakerex line of tinware, which schedule during the life of the contract and until terminated by written notice of February 20, 1941 by Metallic to Katzinger, was treated by both parties as binding and effective, and provided the basis for the minimum prices charged to the public.

8. The stipulation of facts in paragraph 5 establishes the following to be true: "In pursuance of this license agreement Metallic did, for a period of two years more or less, exercise the license therein given by making certain tinware products and selling same at the prescribed minimum prices and paying therefor the applicable royalties."

9. Under date of October 20, 1939 the royalty rate provided for in the license agreement of October 1,
258 1937 was revised in pursuance of a letter written by Katzinger to Metallic, and accepted by Metallic, which contained the provisions:

"For the period from and after October 1, 1939 the royalty or license fee shall be 2½% of net sales in lieu of 5%. In all other respects said agreement of October 1, 1937 remains unchanged and in full force and effect."

10. At the time Metallic gave notice of termination, of the license contract on February 20, 1941, Metallic had discontinued the manufacture of its Bakerex line of tinware for more than a year, and in a letter dated February 26, 1941 Metallic informed Katzinger of such discontinuance and stated that under the circumstances "all conditions of paragraph 14 thereof have been fully satisfied" and also stated that the Bake-King line of tinware which Metallic was then manufacturing "is free of your patents and not subject to the license agreement of October 1, 1937, now terminated".

11. Since the date of the notice of termination given on February 20, 1941 Metallic has not resumed the manufacture of the Bakerex line, and the charge of infringement in Respondent's counterclaim is directed solely against Metallic's Bake-King tinware.

12. Prior to the Jackson patents in suit, others 259 had disclosed the idea of embossing metal kitchen ware, including baking utensils, to provide lines of elevations and depressions which had the effect of stiffening the structure, of retarding the free flowing of grease, of increasing the exposed heating surface and of providing separated pockets for the retention of grease as evidenced by the prior patents in evidence, and particularly the patents to Ball, No. 495,872, and Mullins, No. 563,675.

13. Prior to the invention of the Jackson Design Patent No. 108,573, embossed metal ware displaying a similar pattern was shown in Leidig Design Patent No. 16,612, and the metal sheets produced by American Nickeloid Company.

14. The characteristic feature of the metal ware of both the Jackson patents is that it displays a regular, recurrent, geometrical pattern in which the rows of intersecting elevations progress at right angles to one another, thereby affording regularly spaced depressions in the form of separated cells or pockets, giving an over-all geometric design or pattern which affords the distinguishing appearance of Katzinger's Ovenex tinware.

15. The characteristic feautre of Metallic's Bake-King tinware is the haphazard or irregular indentation of the metal surface which produces an embossed effect, 260 simulating handicraft metal work, in which no regular geometrical pattern is present, and in which elevations and depressions merge into one another without any regular recurrence or arrangement.

16. The appearance of Metallic's Bake-King tinware does not resemble the appearance of Katzinger's Ovenex tinware of the two patents in suit.

CONCLUSIONS OF LAW.

1. If the Bake-King tinware which Metallic was manufacturing at the date of the notice of termination of the license of October 1, 1937 was in fact an infringement of the Jackson Patent No. 2,077,757 or Design Patent No. 108,573, and if said patents are good and valid in law, then the notice of termination was ineffective, and Metallic was without legal justification in giving it, but in view of the fact that the license agreement contains price fixing provisions which were treated as binding and valid in the sale of the Bakerex tinware during a term of years, and were at all times treated as enforcible by Katzinger should occasion arise, it is the duty of the Court to examine into the validity of the patents to determine whether there is legal justification for such minimum price fixing, and 261 Katzinger cannot debar such an inquiry by reliance upon a supposed estoppel against Metallic to tender such an issue.

2. Metallic's Bake-King line of tinware does not infringe any of the claims of either of the Jackson patents in suit when properly construed, and particularly in the light of the prior art and the proceedings in the Patent Office, and Metallic was justified in terminating the contract, without subjecting itself to an estoppel to challenge the validity of the patent.

3. In view of the disclosures of the prior art, nothing more than ordinary mechanical skill, as distinguished from invention, was involved in the disclosures of the two patents in suit, and each of said patents is invalid for lack of invention.

4. The relief prayed in Metallic's prayer for a declaratory judgment is granted and Respondent's counter-claim dismissed with costs against Katzinger.

262 And on, to wit, the 9th day of April, 1943, came the Petitioner by its attorneys and filed in the Clerk's office of said Court its certain Decree (Proposed) in words and figures following, to wit:

263 IN THE DISTRICT COURT OF THE UNITED STATES
* * (Caption—2,647) * *

DECREE

This cause having come on to be heard on the pleadings and proofs and having been argued by counsel and the Court being fully advised in the premises, it is hereby

Ordered, Adjudged and Decreed:

1. That United States Letters Patent No. 2,077,757 to Jackson is invalid as to each of its claims.

2. That United States Letters Patent D-108,573 to Jackson is invalid.

3. That neither of said patents has been infringed by Petitioner, Chicago Metallic Manufacturing Company.

4. That the counterclaim of Edward Katzinger Company, Respondent, be, and the same is hereby dismissed for want of equity.

5. That the license between the parties dated Oc-
264 tober 1, 1937, as amended by the agreement dated October 20, 1939, was terminated by Petitioner, with all liabilities thereunder fully discharged, on February 20, 1941 in conformity with the provisions of said license.

6. That Petitioner do have and recover from Respondent its costs to be taxed by the Clerk.

Enter:

.....

Judge

265 And afterwards, to wit, on the 24th day of April, A. D. 1943, being one of the days of the regular April term of said Court, in the record of proceedings thereof, in said entitled cause, before the Honorable William J. Campbell, District Judge, appears the following entry, to wit:

266 IN THE DISTRICT COURT OF THE UNITED STATES

Saturday, April 24, A. D. 1943

Present: Honorable William J. Campbell, District Judge.

* * (Caption—2647) * *

The Court having heretofore taken under advisement the petitioner's motion for a new trial heretofore filed herein and being now fully advised in the premises it is ordered that said motion be and the same is hereby denied.
267 And afterwards, to wit, on the 24th day of April, A. D. 1943, being one of the days of the regular April term of said Court, in the record of proceedings thereof, in said entitled cause, before the Honorable William J. Campbell, District Judge, appears the following entry, to wit:

FINDINGS OF FACT and CONCLUSIONS OF LAW

and

DECREE—

268 IN THE DISTRICT COURT OF THE UNITED STATES

* * (Caption—2647) * *

FINDINGS OF FACT—CONCLUSIONS OF LAW—DECREE.

CAMPBELL, District Judge.

FINDINGS OF FACT

1.

The Edward Katzinger Company, hereinafter referred to as "Katzinger" is a corporation organized and existing under the laws of the State of Illinois. Plaintiff, Chicago Metallic Manufacturing Company, hereinafter referred to as "Metallic" is a corporation organized and existing under the laws of the State of Illinois.

2.

Prior to the invention of Joseph G. Jackson, described in Patent No. 2,077,757, issued on April 20, 1937, and No. D-108573, issued February 22, 1938, Katzinger and Metal-

lic were engaged in the manufacture of tinware for baking purposes, and both companies had manufactured the familiar smooth tin baking ware exclusively. There were then, and are now, many other companies engaged in the manufacture of tinware for baking and these companies, without exception, prior to the Jackson development, made and sold only the smooth tinware.

3.

Early in 1936 Katzinger came upon the market with the tin baking ware described in Jackson Patents No. 2,077,757 and No. D-108573 and the product immediately met with an enthusiastic reception in the trade.

4.

Prior to Jackson it had been universally believed that tinware for baking had to be smooth not only for appearance, but because it was considered that any other form of surface would interfere with baking and with cleaning. Jackson discovered, quite unexpectedly,

(a) that the new baking pan had a more pleasing and appealing appearance.

269 (b) that it was not easily scarred, marked or smudged,

(c) that it had greater strength and resistance to denting and warping,

(d) that it distributed the grease more evenly over the inner surfaces of the pan,

(e) that the pan surface was increased for a given amount of volume so that baking was improved, and

(f) that heat transfer was improved for the same reason.

All of these improvements are set forth in the Jackson patent. All of these points of improvement are claimed by Metallic, not only for their admittedly infringing Bakerex line but for the Bake-King line here in issue.

5.

Some time after Katzinger came on the market with the Jackson structure, which was marketed under the name "Ovenex", Metallic commenced to manufacture an infringing line of devices under the name "Bakerex". This manufacture commenced before the Jackson patents

issued and as soon as the Jackson patents did issue in the name of Katzinger (which was then and now is the owner thereof) notice of infringement was sent by Katzinger to Metallic. This notice was sent on April 22, 1937 and was duly received by Metallic.

6.

Metallic did not then desire to contest the validity of the Jackson patents and did not desire to cease manufacturing the improved embossed bake-ware. It, therefore, negotiated with Katzinger for a license. At the same time the National Enameling and Stamping Company of Milwaukee was interested in obtaning a license and Metallic agreed to take whatever license National would take. Negotiations with National were completed in October of 1937 and a license agreement signed, and at the same time Metallic executed a license identical as to terms with Katzinger. This license is dated October 1, 1937 and a copy thereof is attached to the counterclaim of Katzinger as Exhibit A.

7.

The first draft of the license contract was modified by the insertion of paragraph 14 as follows:

> "14. This contract shall remain in force for and during the life of the last expiring patent coming within the terms of this license unless sooner terminated by either party upon sixty days' written notice to the other party, provided, however, that Licensee may avail itself of this right to terminate only upon ceasing to manufacture, sell and distribute articles
> 270 embodying or made in accordance with any of the licensed patents or applications, except as provided in paragraph 9 hereof. Should Licensee elect to terminate, as aforesaid, except as provided in paragraph 9 hereof, without ceasing to manufacture, sell or distribute said article, it shall be estopped from denying the validity of said patent or patents, or any of them, and be deemed an infringer thereof."

which paragraph was written by Mr. Schrager of Katzinger, a licensed attorney but not a patent attorney.

8.

In pursuance of the license agreement Metallic manufactured the Bakerex line in addition to its smooth tinware and paid royalties thereon for some time.

9.

In May or June of 1939 Metallic commenced the manufacture of its Bake-King line on a large scale. The Bake-King line had been produced on a small scale in the latter part of 1936 but was not pushed then as was the Bakerex line. In about July of 1939 Metallic withdrew the Bakerex line from its listings and thereafter listed only the Bake-King line.

10.

In October of 1939, after withdrawing the Bakerex line from its listings and listing on the Bake-King line, Metallic negotiated a reduction in Royalties under its license from 5% to 2.5%, which reduction was agreed to by Katzinger. In sending to Metallic the amendment of October 20, 1939 for execution, Katzinger called attention to the Bake-King line, as follows:

> "So that we may be in a position to check your reports, I will appreciate your advice as to whether in the future you will prefer to include in a single report the sale of pans marketed by you both under the name of "Bakerex" and "Bake-King" or whether you would prefer to make separate reports for each brand name."

11.

Katzinger from time to time demanded payment of royalties on the Bake-King line and finally brought suit in the state courts for royalty thereon. Thereafter, on February 20, 1941, Metallic elected to terminate the license agreement of October 1937, under the terms of paragraph 14 of that agreement, and thereby became subject to the estoppel of said section 14. This termination became effective in 60 days, to wit on April 21, 1941.

271

12.

At the time of the notice of termination, Metallic was still manufacturing its Bake-King line of tinware for baking. It then claimed and now claims for said Bake-King line all of the advantages previously claimed for the Bakerex line and all of the advantages set forth in the Jackson patent No. 2,077,757.

13.

The Bakerex line of tinware is made from metal sheets which are intially smooth. These smooth sheets are passed

once through a pair of rolls, each of the rolls being embossed with the proper embossing to give the Bakerex design.

14.

In making the Bake-King tinware, identical metal sheets are passed through rolls having an identical design. Each sheet of metal for the Bake-King is passed through the rolls approximately six times. After the first pass the sheets are identical with the Bakerex sheets. Thereafter the sheets are turned so as to impress thereon an additional Bakerex design at a different angle.

15.

In certain Bake-King tinware the metal is not rolled at all but is stamped with an irregular design generally resembling the rolled Bake-King sheetware.

16.

The Bake-King line of tinware complained of infringes Jackson patents No. 2,077,757 and No. D-108573.

17.

Petitioner is estopped to deny the validity of Jackson patents No. 2,077,757 and No. D-108573. Respondent was always willing to eliminate the price fixing provisions of the license agreement, and these provisions terminated *ipso facto* upon termination of the license by petitioner.

18.

Petitioner has not accounted to respondent for royalties due during the life of license contract upon its Bake-King line of tinware.

Conclusions of Law

1.

The court has jurisdiction of the parties and of the subject matter of this suit.

272 2.

Jackson patent No. 2,077,757, issued on April 20, 1937 is valid as between the parties to this suit.

Jackson Design Patent No. D-108573, issued on February 22, 1938 is valid as between the parties to this suit.

3.

The petitioner has infringed each of said patents No. 2,077,757 and No. D-108573 by making and selling its Bake-King tinware.

DECREE

This cause having come on to be heard on the pleadings and proofs and having been argued by counsel and considered by the Court, it is hereby

Ordered, Adjudged and Decreed:

1. That the United States Letters Patent to Jackson No. 2,077,757 is valid as to each of its claims, as between the parties to this suit.

2. That United States Letters Patent D-108573 to Jackson is valid as to its claim, as between the parties to this suit.

3. That respondent, Edward Katzinger Company, is the owner of the entire right, title and interest in and to the aforesaid Letters Patent and each of them.

4. That the Chicago Metallic Manufacturing Company has infringed said Letters Patent and each of them by making and selling petitioner's Bake-King line of tinware.

5. That a perpetual injunction, issue out of and under the seal of this Court directed to said petitioner, Chicago Metallic Manufacturing Company, its officers, agents, employees, and all others controlled by the petitioner, enjoining and restraining them, and each of them, from directly or indirectly infringing said Letters Patent, and each of them, and from contributing to or aiding and abetting the infringement thereof by others.

6. That the respondent recover the profits, savings and advantages which petitioner has derived, received or made by reason of its infringement of said Letters Patent to Jackson No. 2,077,757 and D-108573 and also all damages which the respondent has sustained from said infringement.

7. That petitioner account to respondent for royalties due respondent under the license contract of October 1, 1937 and particularly for royalties due prior to April 21, 1941 upon its Bake-King line of tinware.

8. That this cause be referred to a Master to be appointed by this Court, to take and state an account of
273 such royalties, profits, savings and advantages, and

to assess such damages, and to report thereon with all convenient speed.

9. That respondent recover its costs and disbursements in this suit to be taxed by the Clerk.

Enter

Campbell

Judge.

April 24, 1943.

274 And on, to wit, the 3rd day of May, 1943, came the Petitioner by its attorneys and filed in the Clerk's office of said Court its certain Notice of Appeal in words and figures following, to wit:

275 IN THE DISTRICT COURT OF THE UNITED STATES

* * (Caption—2647) * *

NOTICE OF APPEAL

Notice is hereby given that Chicago Metallic Manufacturing Company, Petitioner Appellant, now appeal to the United States Circuit Court of Appeals for the Seventh Circuit from the Interlocutory Decree entered on April 24th, 1943, as to all points covered by said Decree and in favor of the Respondent Appellee.

Banning & Banning
Samuel W. Banning,
Attorneys for Petitioner-Appellant.

Service of copy of the above notice and statement of Points on Appeal and Designation of Contents of Record on Appeal and bond acknowledged this 3 day of May, 1943.

Chritton, Wilos, Davies & Hirschl,
Attorneys for Respondent Appellee.

276 And on, to wit, the 3rd day of May, 1943, came the Petitioner-plaintiff by its attorneys and filed in the Clerk's office of said Court its certain Statement of Points on Appeal in words and figures following, to wit:

277 IN THE DISTRICT COURT OF THE UNITED STATES
(Caption—2647)

STATEMENT OF POINTS ON APPEAL

The following errors are assigned by Chicago Metallic Manufacturing Company, Petitioner, as a statement of points on which it intends to rely on said appeal:

1. The Court erred in holding that the Jackson patent No. 2,077,757 is valid and in not holding that said patent is invalid as to each of its claims as between the parties in suit.

2. The Court erred in holding that the Jackson Design patent No. 108,573 is valid and in not holding that said patent is invalid as between the parties in suit.

3. The Court erred in holding that the Petitioner had infringed either of said patents by making and selling its Bake-King line of tinware.

278 4. The Court erred in ordering an injunction against Petitioner or others acting in its behalf and in ordering an accounting and in referring the cause to a master to take an account and in assessing costs against Petitioner.

5. The Court erred in not entering a Decree in conformity with Petitioner's prayer for a declaratory judgment finding each of said patents invalid in toto.

6. The Court erred in holding that Petitioner is estopped to deny the validity of each of said patents and in not holding that by reason of the price fixing provisions of the license contract of October 1, 1937 the Court is in duty bound to override alleged estoppels and investigate the validity of the patents in the light of all evidence relevant thereto.

7. The Court erred in finding that the Respondent was always willing to eliminate the price fixing provisions of the license contract and in not entering a contrary finding and in attaching any legal significance to the matter in question.

8. The Court erred in not finding that the observance of the price fixing provisions of the contract by both parties throughout a term of years nullified any claim 279 of alleged estoppel to challenge the validity of the patents in suit.

9. The Court erred in holding that Petitioner by its

election to terminate the license contract of October 1, 1937, as amended, became subject to an estoppel to challenge the validity of the patents in suit, and in not finding that Petitioner at the date of termination had full legal authority so to do, free and clear of any continuing estoppel.

10. The Court erred in not holding that both of the patents in suit were anticipated by prior patents and prior public use of the inventions claimed by Jackson.

11. The Court erred in not holding that in view of the state of the art no invention was involved in the subject matter of either patent in suit.

12. The Court erred in not finding that the Patent Office record of patent No. 2,077,757, imposed limitation on the claims which served to disprove the charge of infringement.

13. The Court erred in ordering any recovery of profits and damages or an accounting therefor under Design patent No. 108,573, in view of the waiver by Counsel of any accounting under said patent.

280 14. The Court erred in finding that prior to Jackson it was universally believed that tinware for baking should be smooth, or that the tinware of the patents in suit presents a more pleasing and appealing appearance, or that it is not easily scarred, marred or smudged or had greater strength or resistance to denting and warping; or that it distributed grease more evenly; or that it increased the amount of baking surface; or that it improved the transfer of heat; and in not holding that all of the above alleged attributes are fully disclosed in the prior art.

15. The Court erred in attaching any importance to the method or process by which Petitioner's tinware was produced and in not holding that the patents in suit were solely for the completed product.

16. The Court erred in holding that Petitioner had failed to account to Respondent for all royalties which it was legally obligated to pay.

17. The Court erred in entering findings of fact and conclusions of law submitted by the Respondent and in not granting Petitioner's motion for a new trial accompanied by findings and conclusions and decree conformable to this statement of points on appeal.

281 18. The Court erred in not following the ruling of the United States Court of Appeals for the Seventh

Circuit in the case of *Casco Products Corporation* v. *Sinko Tool and Manufacturing Company*, 116 F. 2d 119, which holds that no estoppel to deny validity can foreclose an investigation of the prior art to determine whether the Defendant finds justification therein regardless of the wording of patent claims, and under said ruling erred in not finding for the Petitioner on questions of infringement.

19. The Court erred in assessing costs against the Petitioner and in not dismissing Respondent's counterclaim and assessing costs against Respondent.

Banning & Banning
Samuel W. Banning
Attorneys for Petitioner.

282 And on, to wit, the 3rd day of May, 1943, came the Petitioner-appellant by its attorneys and filed in the Clerk's office of said Court its certain Appeal Bond in words and figures following, to wit:

283 IN THE DISTRICT COURT OF THE UNITED STATES
* * (Caption—2647) * *

APPEAL BOND

Know All Men by These Presents: That Chicago Metallic Manufacturing Company, an Illinois Corporation, of Chicago, Illinois, as Principal, and American Surety Company of New York, as Surety, are held and firmly bound unto Edward Katzinger Company, an Illinois Corporation, of Chicago, Illinois, in the full and just sum of Two Hundred Fifty Dollars ($250.00), to be paid to the said Edward Katzinger Company, its successors or assigns, to which payment, well and truly to be made, we bind ourselves, assigns, and Successors, jointly and severally, firmly by these presents.

Sealed With Our Seals, and dated this 30th day of April, 1943.

Whereas, lately, at a session of the District Court of the United States for the Northern District of Illi-
284 nois, Eastern Division, in a suit pending in said Court between the Petitioner, Chicago Metallic Manufacturing Company, and the Respondent, Edward Katzinger

Company, a decree was entered against the said Petitioner, including an injunction and reference for an accounting, and the Petitioner, Chicago Metallic Manufacturing Company, is herewith filing its Notice of Appeal to the United States Circuit Court of Appeals for the Seventh Circuit:

Now the condition of the above obligation is such that if the said Petitioner, Chicago Metallic Manufacturing Company, shall prosecute its said appeal to effect and shall answer all costs that may be awarded against the Respondent if it fails to make good its plea, then the above obligation to be void; otherwise to remain in full force and effect.

Chicago Metallic Manufacturing Company
By Banning & Banning,
Its Attorneys.
American Surety Company of New York
By B. H. Davenport
B. H. Davenport, *Res. Vice Pres.*
Attest: G. Hoffman
G. Hoffman, *Res. Asst. Secy.*
(Seal)

285 And afterwards, to wit, on the 28th day of May, A. D. 1943, being one of the days of the regular May term of said Court, in the record of proceedings thereof, in said entitled cause, before the Honorable William J. Campbell, District Judge, appears the following entry, to wit:

286 IN THE DISTRICT COURT OF THE UNITED STATES
* * (Caption—2647) * *

ORDER

Both parties consenting thereto, it is hereby ordered that the Clerk of the District Court in the certification of exhibits to the Court of Appeals may certify the original documentary exhibits now on file rather than copies or duplications thereof.

Campbell
Judge

May 28, 1943.

We hereby consent to the above order.
Banning & Banning
for Petitioner
Chritton, Wiles, Davies & Hirschl
for Respondent

287 And on, to wit, the 3rd day of May, 1943 came the Petitioner-appellant by its attorneys and filed in the Clerk's office of said Court its certain Designation of Contents of Record on Appeal in words and figures following, to wit:

288 IN THE DISTRICT COURT OF THE UNITED STATES
* * (Caption—2647) * *

PETITIONER'S DESIGNATION OF CONTENTS OF RECORD ON APPEAL

1. Petition for Declaratory Decree.
2. Answer of Defendant (Respondent) with Exhibit A appended thereto, including letter of Oct. 20, 1939.
3. Answer to Counterclaim.
4. Stipulation dated May 19, 1942.
5. Transcript of proceedings at the trial including statements of Counsel.
6. All exhibits listed in the index of exhibits in the transcript with certification of physical exhibits.
7. Memorandum opinion dated March 10, 1943.
8. Petitioner's motion for new trial together with Petitioner's proposed findings of fact, conclusions of law and decree accompanying said motion and order denying said motion.

289 9. Findings of fact and conclusions of law and decree entered April 24, 1943.
10. Notice of Appeal.
11. Statements of points on appeal.
12. Bond.
13. Designation of Contents of Record on Appeal.

Banning & Banning
Samuel W. Banning
Attorneys for Petitioner.

April 20, 1937. J. G. JACKSON 2,077,75

BAKING PAN AND MATERIAL

Filed Aug. 17, 1936

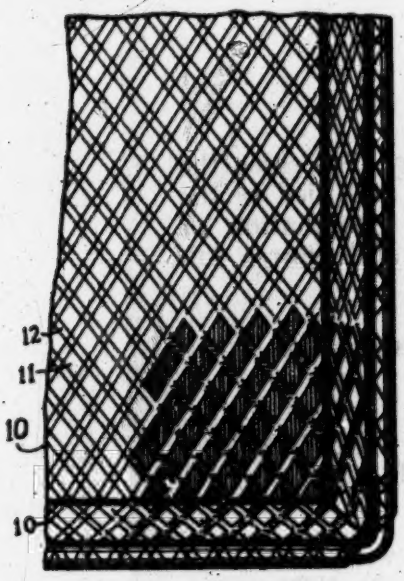


Fig. 1.

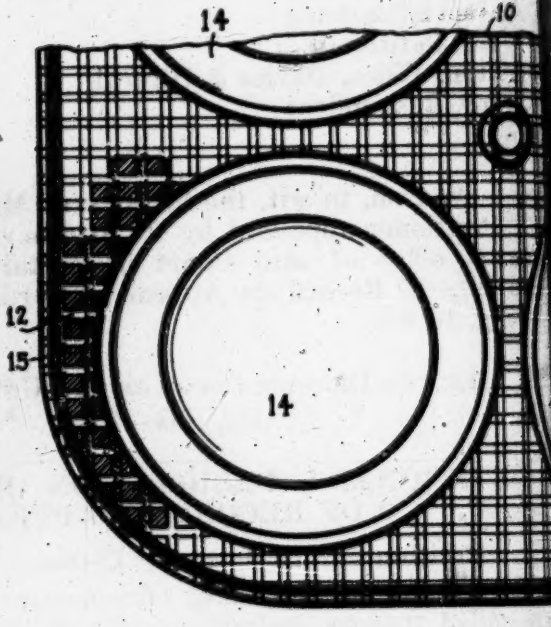


Fig. 2.

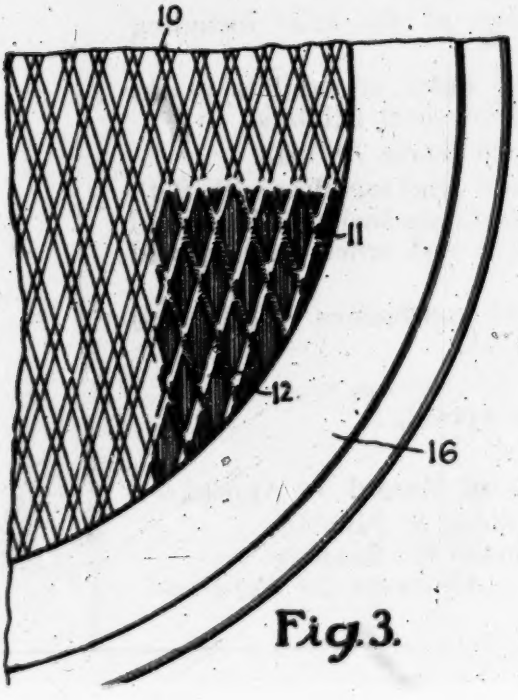


Fig. 3.

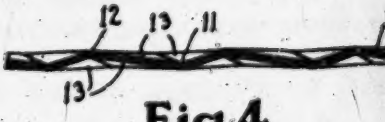


Fig. 4.

Patented Apr. 20, 1937 2,077,757

UNITED STATES PATENT OFFICE

2,077,757

Baking Pan and Material

Joseph G. Jackson, Oak Park, Ill., assignor to Edward Katzinger Company, Chicago, Ill., a corporation of Illinois

Application August 17, 1936, Serial No. 96,376
6 Claims. (Cl. 53—6)

This invention relates to baking pans and the material from which they are made, whereby the pan will present a pleasing and appealing appearance, will not be easily scarred or marked, and will have increased strength and resistance to denting and warping. It also contemplates a pan wherein the grease, if any, used in baking will be evenly distributed over the inner surfaces of the pan and the pan surfaces in direct contact with the dough therein will be increased to improve the bake.

With the above and other objects in view, as will be apparent, this invention consists in the construction, combination and arrangement of parts all as hereinafter more fully described, claimed and illustrated in the accompanying drawing, wherein:

Fig. 1 is a fragmentary corner elevation of one type of pan embodying the present invention;

Fig. 2 is a similar view of a muffin frame illustrating the present construction incorporated therein;

Fig. 3 likewise is a fragmentary elevation of a pie plate showing the present invention as applied thereto; and

Fig. 4 is a section through a wall of a pan made in accordance with this invention to illustrate the formation and construction thereof.

Heretofore, in the manufacture of baking pans the material or metal used has generally had a plain, smooth, uninterrupted and generally a polished surface with the result that every defect in the material, all dents placed therein from one cause or another and all finger prints, smudges and the like appeared thereon and often were emphasized. Therefore, the smooth, plain, polished surface of the pan walls in addition to being easily marred and dented, did not present a particularly attractive ap-

pearance on display, especially after the article has been frequently handled.

In addition to this, the average baking pan made of smooth, flat material warps easily and frequently becomes distorted unless the gauge or thickness of the metal from which the pan is made is greatly increased. This is particularly true of relatively large and shallow pans such as cookie sheets. It is customary to grease the interior of a baking pan prior to placing the dough therein and in the pans prior hereto the smooth uninterrupted surfaces thereof have provided no means for holding such grease and causing an even distribution thereof.

The present invention contemplates a baking pan that will overcome the objectionable features of the prior pans, by providing an over-all geometric design or pattern in one or more of the pan walls which will produce a series of alternate depressions and elevations throughout the surface of the pan wall. When the material of the pan is thus treated by having an over-all geometric design or pattern impressed or formed therein, the pan will be greatly strengthened and the appearance vastly improved. The forming of an over-all pattern or design in the material of the pans removes all stress, strains, and buckles therefrom and conceals any and all defects which may occur in the material. Furthermore, pans so constructed may be readily handled during the display thereof without finger prints or smudge being obvious and glaring.

Certain types of pans such as cookie sheets when made of smooth, flat sheets warp readily and do not ship flat, whereas, when made in accordance with the present invention additional strength is provided throughout the walls, as well as at the edges thereof to prevent warpage and to maintain the pans at all times relatively flat.

By having the alternate depressions and projections over the surface of the pan wall or walls, the heating surface contacting with the contents of the pan is materially increased and there is a more uniform distribution of the grease over the entire pan surface. In this manner the baking in a pan made in accordance with the present invention is greatly improved over that in the pans with smooth flat walls.

Reference being had more particularly to Figs. 1, 3 and 4 of the drawing, 10 designates the walls, either side or bottom, of a baking pan. These walls 10 are formed from

sheets of any suitable metal and have alternate depressions 11 and elevations 12 created therein by stamping, rolling and by any other suitable means. The formation of the depressions 11 in one face of the wall 10 creates the elevations 12 on the opposite face of the wal, so that the depressions 11 and elevations 12 of one face of the wall are complemental to the similar elements of the opposed face of the wall.

The elevations 11 and projections 12 may be arranged in any suitable pattern, two examples of which are shown respectively in Figs. 1 and 2 of the drawing. By reference to Fig. 4 of the drawing it will be observed that the depressions 11 and elevations 12 may, if desired, be formed with the facets 13 which add to the strength of the wall and present a pleasing and attractive appearance.

In Fig. 2, showing the present invention applied to 293 a muffin frame, the pattern is not applied to the cups 14, but is applied to the sheet or frame 15 in which the cups are carried. In this form of the invention the frame or sheet 15 is greatly strengthened and its appearance vastly improved.

In Fig. 3 is shown another application of the present invention, viz. the application thereof to a pie plate. Here the side wall 10 of the pan is plain but the bottom 10 thereof has the present invention applied thereto.

In practicing this invention the alternately arranged depressions 11 and elevations 12 arranged in any suitable pattern or design may be rolled, impressed or otherwise formed on the sheets of metal from which the pan is made prior to the formation of the pan, or may be formed in the pan walls during or after the formation of the pan. It has been found that where the sheets from which the pans are to be made are provided with the alternately arranged depressions and elevations 11—12, the same can be readily rolled into the metal but where they are placed in the pan wall or walls during or after the formation of the pan, it has been found desirable to do this by a stamping operation.

From the foregoing, it is manifest that the strength of the pan is greatly increased by the construction herein described; that dents, scars and defects in the metal will not be apparent; that any grease applied to the interior surface of the pan will settle and be held by the several depressions [illegible] that the provision of facets 13 in com-

bination with the depressions 11 and elevations 12 will create an extremely attractive and pleasing article.

What is claimed:

1. A sheet metal baking pan having a bottom stamped into alternate elevations and depressions, aligned in at least two directions.

2. A sheet metal baking pan having the material thereof stamped into alternate elevations and depressions aligned in at least two directions.

3. A sheet metal baking pan having a series of alternately arranged relatively shallow depressions and elevations aligned in at least two directions.

4. A sheet metal baking pan having a plurality of relatively small, shallow depressions formed therein arranged in rows in at least two directions, said rows being separated one from the other by continuous, relatively low and narrow elevations.

5. A sheet metal baking pan having a series of shallow, relatively small depressions formed in the bottom thereof and aligned in rows in at least two directions, said rows being separated one from the other by relatively low and narrow elevations, part of which are continuous and part interrupted by other elevations.

6. A metal baking pan having a plurality of separated relatively shallow, small depressions in the bottom and walls thereof.

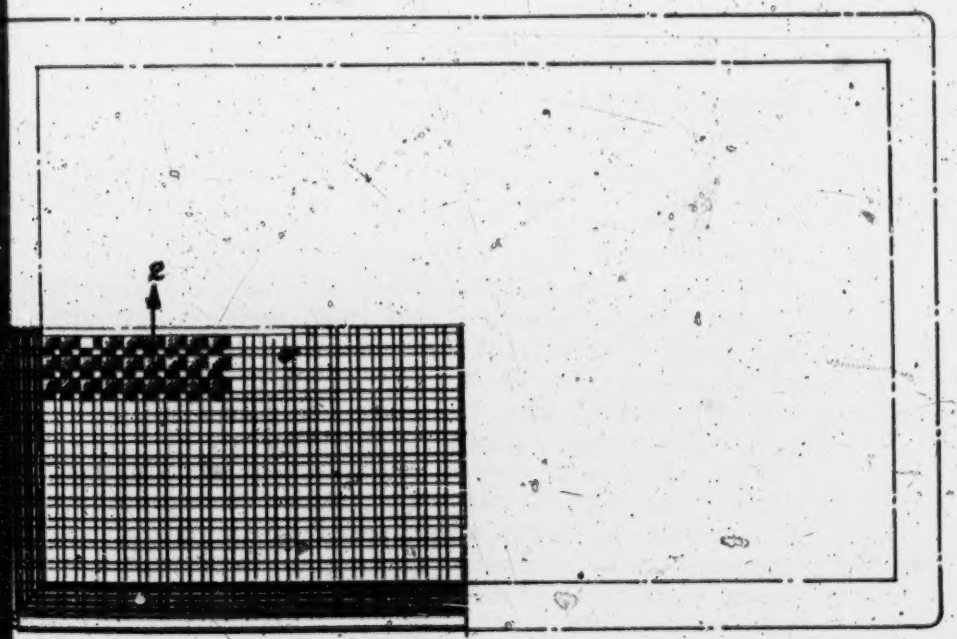
Joseph G. Jackson

Jan. 25, 1938. J. G. JACKSON Des. 108,140

BAKING PAN

Filed Jan. 2, 1937

Fig. 1.



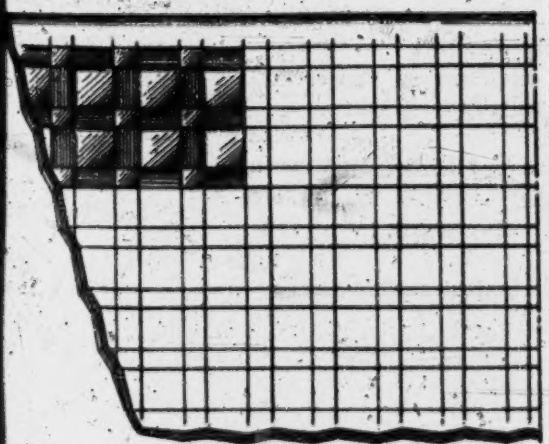


Fig. 2.

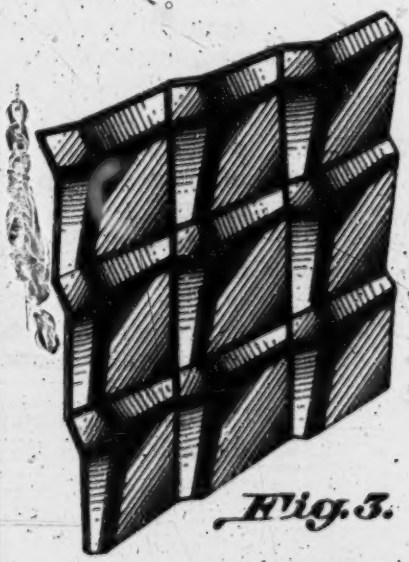


Fig. 3.

INVENTOR.
Joseph G. Jackson
BY Stanley Hoods
ATTORNEY.

296 Patented Jan. 25, 1938 Des. 108,140

UNITED STATES PATENT OFFICE

108,140

Design for a Baking Pan

Joseph G. Jackson, Oak Park, Ill., assignor to The Edward Katzinger Company, Chicago, Ill., a corporation of Illinois.

Application January 2, 1937, Serial No. 66,868
Term of patent 14 years

To all whom it may concern:

Be it known that I, Joseph G. Jackson, a citizen of the United States, residing at Oak Park, in the county of Cook and State of Illinois, have invented a new, original, and ornamental Design for a Baking Pan, of which the following is a specification, reference being had to the accompanying drawing, forming a part thereof.

Fig. 1 is a plan view of a baking pan showing my new design, the bottom and walls thereof being ornamented throughout the entire area thereof by the use of a series of ridges and depressions making an angle with a second series of ridges and depressions so as to give the impression of plurality of rectangular shaped areas as defined by the shaded detail portion. In lieu of shaded detail throughout the figure, a crossed-line background has been applied to represent a continuation of the ridges and depressions defining said rectangular shaped areas.

Fig. 2 is an enlarged sectional view taken on line 2—2, of Fig. 1 and includes an elevational view of the pan side wall having a shaded detail portion. As in Fig. 1, in lieu of shaded detail throughout the figure, a crossed-line background has been applied to represent a continuation of the ridges and depressions defining the rectangular shaped areas.

Fig. 3 is an enlarged fragmentary detail view.

The characteristic feature of this design resides in the ornamental bottom and walls as shown.

I claim:

The ornamental design for a baking pan, as shown and described.

Joseph G. Jackson

Jan. 25, 1938. J. G. JACKSON Des.

BAKING PAN

Filed Jan. 2, 1937

Fig. 1.

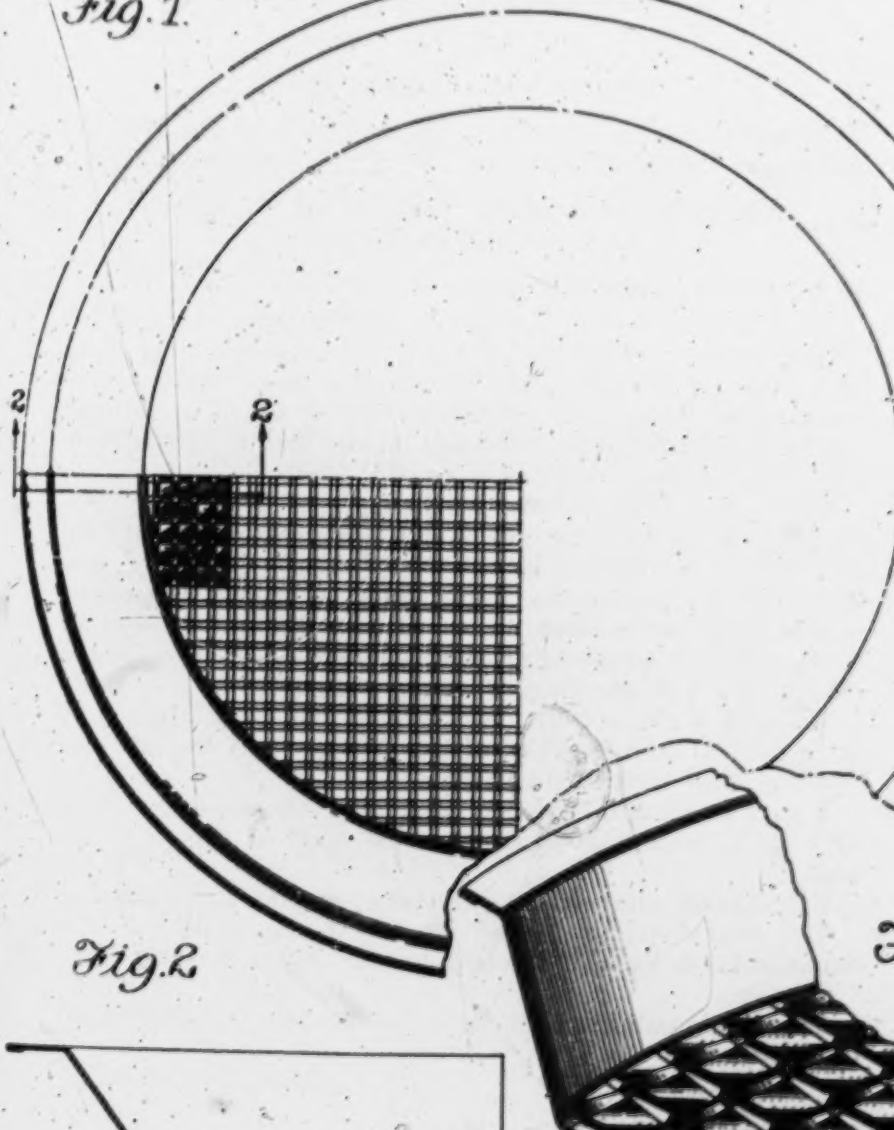


Fig. 2.

Inventor
Joseph G. Jac
By Stanley H
Atty

299 Patented Jan. 25, 1938 Des. 108,141

UNITED STATES PATENT OFFICE

108,141

Design for a Baking Pan

Joseph G. Jackson, Oak Park, Ill., assignor to The Edward Katzinger Company, Chicago, Ill., a corporation of Illinois

Application January 2, 1937, Serial No. 66,869
Term of patent 14 years

To all whom it may concern:

Be it known that I, Joseph G. Jackson, a citizen of the United States, residing at Oak Park, in the county of Cook and State of Illinois, have invented a new, original, and ornamental Design for a Baking Pan, of which the following is a specification, reference being had to the accompanying drawing, forming a part thereof.

Fig. 1 is a plan view of a baking pan showing my new design, the bottom thereof being ornamented throughout the entire area thereof by the use of a series of ridges and depressions making an angle with a second series of ridges and depressions so as to give the impression of a plurality of rectangular shaped areas as defined by the design, the bottom thereof being ornamented throughout the figure, a crossed-line background has been applied to represent a continuation of the ridges and depressions defining said rectangular areas.

Fig. 2 is an enlarged sectional view taken on line 2—2 of Fig. 1, including an elevational view of the pan side wall.

Fig. 3 is an enlarged fragmentary top plan view, thereof.

The characteristic feature of this design resides in the ornamental bottom of the baking pan shown in solid lines.

I claim:

The ornamental design for a baking pan, as shown and described.

Joseph G. Jackson.

Feb. 22, 1938. J. G. JACKSON Des. 108,573

SHEET METAL FOR MAKING BAKING RECEPTACLES OR SIMILAR ARTICLES

Filed Sept. 5, 1936

Fig 1.

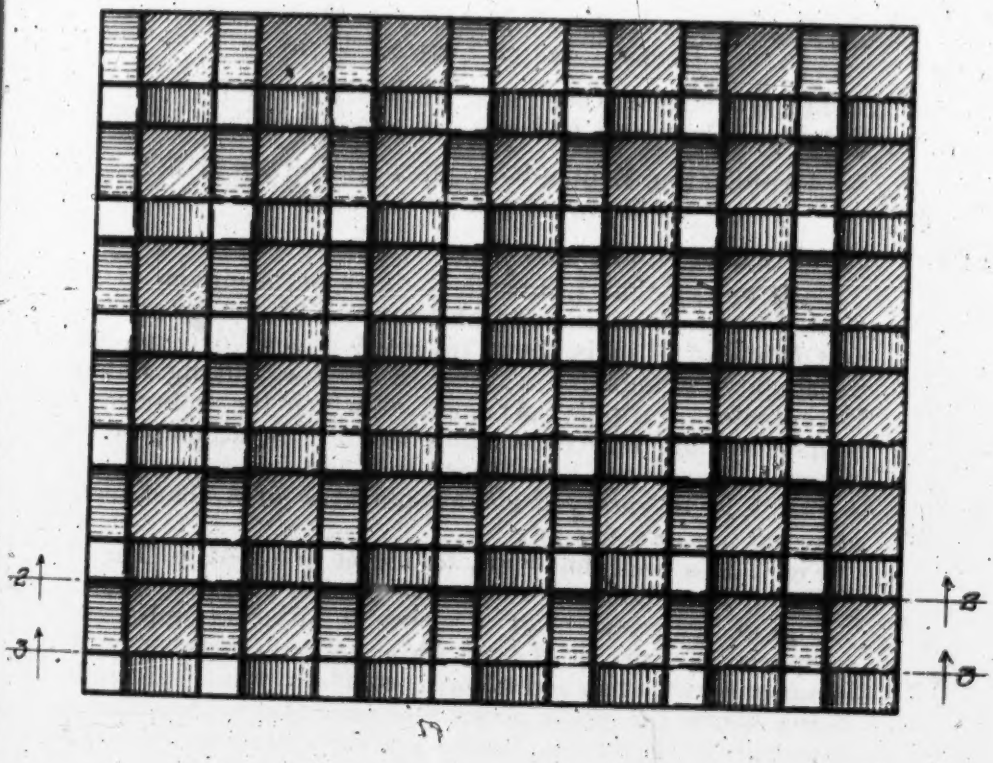


Fig 2.

Fig 3.

Inventor.
Joseph G. Jackson,
By Stanley Woods
Atty.

302 Patented Feb. 22, 1938 Des. 108,573

UNITED STATES PATENT OFFICE

108,573

Design for a Sheet Metal for Making Baking Receptacles or Similar Articles

Joseph G. Jackson, Oak Park, Ill., assigner to The Edward Katzinger Company, Chicago, Ill., a corporation of Illinois

Application September 5, 1936, Serial No. 64,730
Term of patent 14 years

To all whom it may concern:

Be it known that I, Joseph G. Jackson, a citizen of the United States, residing at Oak Park, in the county of Cook and State of Illinois, have invented a new, original and ornamental Design for a Sheet Metal for Making Baking Receptacles or Similar Articles, of which the following is a specification, reference being had to the accompanying drawing, forming a part thereof.

Fig. 1 is an enlarged elevational view of a sheet metal showing my new design;

Fig. 2 is a sectional view, taken on line 2—2 of Fig. 1;

Fig. 3 is a sectional view, taken on line 3—3 of Fig. 1.

The design consists of a series of adjacent units each composed of a group of four plane areas describing parallelograms and arranged about a common point, said point rising above the plane areas and said plane areas incline downwardly therefrom; corresponding points on the plane areas all lie in the same plane with respect to the general plane of the sheet metal.

I claim:

The ornamental design for a sheet metal for making baking receptacles or similar articles as shown and described.

Joseph G. Jackson

DESIGN.

A. LEDIG.

TRAY.

No. 16,612. Patented Apr. 13, 1886.

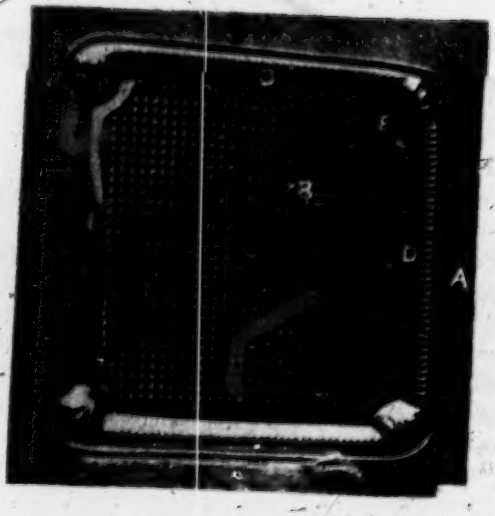


EXHIBIT 5

WITNESSES

A. D. Grant

W. D. Kreher

INVENTOR

August Ledig

BY Edward Rosenheim

ATTORNEY

August Ledig, of Philadelphia, Pennsylvania.

Design for a Tray

Specification forming part of Design No. 16,612, dated April 13, 1886.

Application filed February 13, 1886. Serial No. 191,901. Term of patent 3½ years.

To all whom it may concern:

Be it known that I, August Ledig, a citizen of the United States, residing in the city and county of Philadelphia, State of Pennsylvania, have invented and produced a new and original Design for Trays, of which the following is a specification, reference being had to the accompanying photographic illustration, forming part thereof.

The leading features of my design are, first, the body with a checkered face, a plain field at the center, and a plain field between said face and the rim of the tray, and, next, a rim with a beaded edge, a scalloped face, and rounded corners.

A represents a tray, the face B of the body of which is checkered, excepting at the center, where there is a plain field, C. The rim D is scalloped, and the corners E are curved inwardly. The portion of the face where it joins the rim D is a plain field, and the outer edge of said rim is beaded, the scallops or corrugations of the rim being on the face thereof. The rounded corners E are within the rounded corners of the beaded edge of the rim, said corners E joining the scalloped faces of the rim.

I claim—

1. A design for a tray having a body with a checkered surface, B, a plain center field, C, and a rim, D, having inwardly-rounded corners E, substantially as shown.

2. A design for a tray having a body with a checkered

surface and a rim with a beaded edge and scalloped face as shown and described.

3. A design for a tray having a body with a checkered surface, and a rim with a beaded edge and beaded corners, a scalloped face, and rounded corners joining the scalloped faces, as shown and described.

A. Ledig.

Witnesses:
John A. Wiedersheim,
A. P. Grant.

DESIGN.

L. WOJIDKOW.

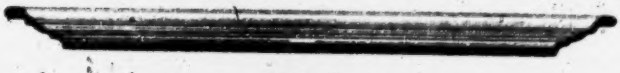
METAL TRAY.

APPLICATION FILED MAR. 29, 1915.

50,004. Patented Dec. 5, 1916.

Fig. 1.

Fig. 2.



Inventor
Louis Wojidkow
by Wm. Edmonds
Attorney

307 UNITED STATES PATENT OFFICE.

Louis Wojidkow, of Brooklyn, New York, Assignor to New York Stamping Company, of Brooklyn, New York, a Corporation of New York.

Design for a Metal Tray

50,004. Specification for Design. Patented Dec. 5, 1916.

Application filed March 29, 1915. Serial No. 17,939.
Term of patent 14 years.

To all whom it may concern:

Be it known that I, Louis Wojidkow, a citizen of the United States, residing at Brooklyn, in the county of Kings and State of New York, have invented a certain new, original, and ornamental Design for Metal Trays, of which the following is a specification.

Reference being had to the accompanying drawing, forming part hereof, Figure 1 is a plan view of a metal tray, for serving viands and drinks, and for other purposes, showing my new design, and Fig. 2 is a cross section thereof, on the line A—B of Fig. 1.

I claim:—

The ornamental design for a metal tray, as shown.

In testimony whereof I have hereunto set my hand this 26 day of March A. D. 1915.

Louis Wojidkow.

Witnesses:
R. W. Shelter,
N. B. Tyler.

Copies of this patent may be obtained for five cents each, by addressing the "Commissioner of Patents, Washington, D. C."

(No Model.) 2 Sheets—Sheet 2.

C. A. WILLIAMSON

STOVE.

No. 265,204. Patented Sept. 26, 1882.

Fig. 5.

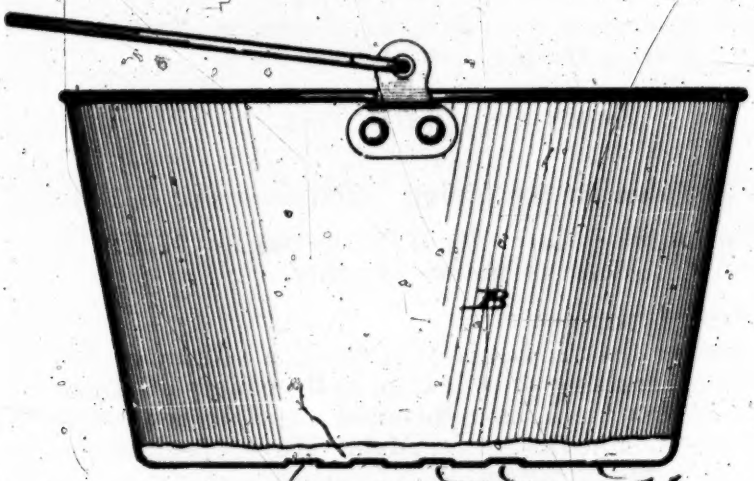


Fig. 6.

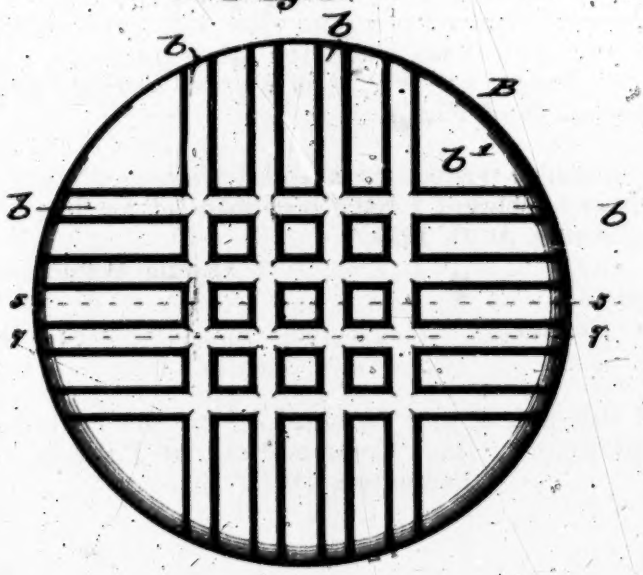
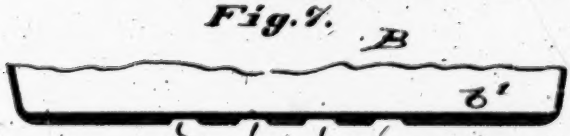


Fig. 7.



Attest:

Albert G. Fish
Charles Priddis

Inventor:

Catharine A. Williamson
by C. F. Moody atty

(No Model.) 2 Sheets—Sheet 1.

C. A. WILLIAMSON.

STOVE.

No. 265,204. Patented Sept. 26, 1882.

Fig. 1.

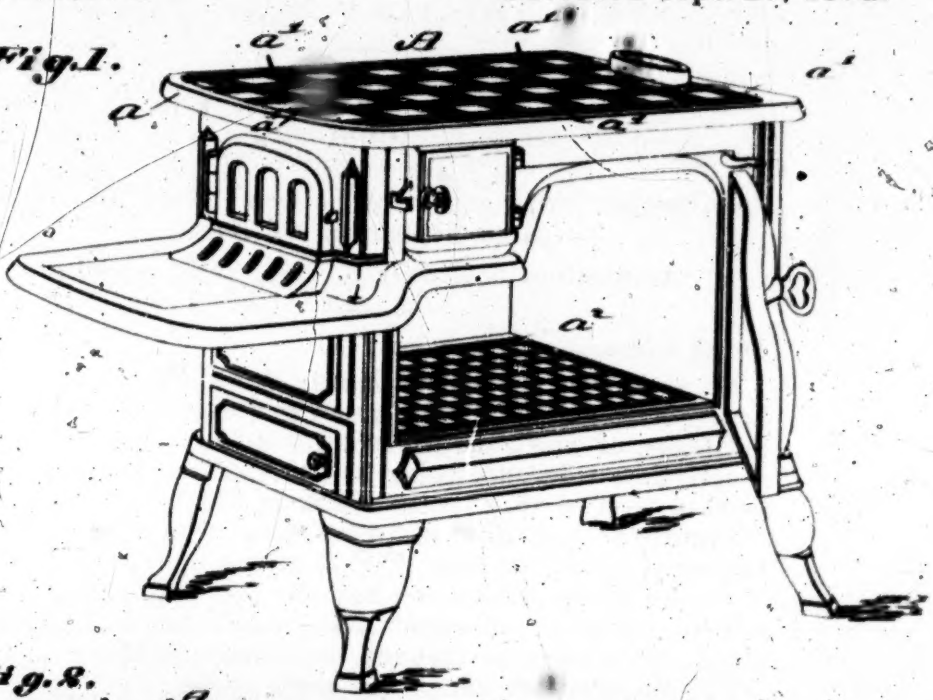


Fig. 2.

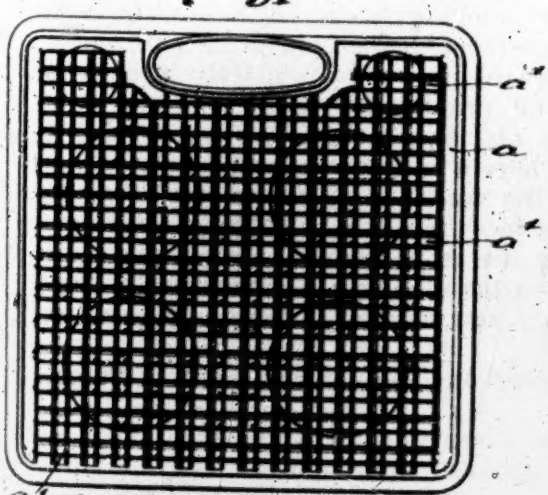


Fig. 3.

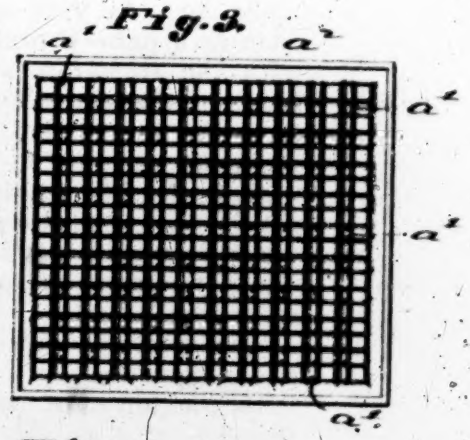


Fig. 4.

Attest:
Albert G. Fish
Charles Pickles

Inventor:
Catharine A. Williamson
by C. F. Moody, Atty

312

UNITED STATES PATENT OFFICE.

Catherine A. Williamson, of St. Louis, Missouri.

STOVE.

Specification forming part of Letters Patent No. 265,204, dated September 26, 1882.

Application filed July 6, 1882. (No model.)

To all whom it may concern:

Be it known that I, Catherine A. Williamson, of St. Louis, Missouri, have made a new and useful Improvement in Stoves, of which the following is a full, clear, and exact description, reference being had to the annexed drawings, making part of this specification, in which—

Figure 1 is a view in perspective of a cooking-stove having the improvement; Fig. 2, a plan of the stove; Fig. 3, a plan of the stove-oven bottom; and Fig. 4, a vertical section, upon an enlarged scale, taken through the top plate of the stove or through the oven-bottom.

The same letters denote the same parts.

The tops of ordinary cooking-stoves have hitherto been made flat. As thus constructed, the bottom of a utensil—such as a pan—throughout its extent is closely in contact with the stove-top, and practically no air can circulate between the stove-top and the bottom of the utensil. I have discovered that herein is a prominent cause of the frequent burning of the contents of the utensil, and to remedy the difficulty is the aim of this improvement, which consists in so shaping the stove-top as to provide an air space or spaces between the utensil and stove-top, through which passages the air can circulate during the cooking operation.

The mode of carrying out the improvement is shown in the drawings.

In the top *a* of the stove A are a number of shallow grooves, *a' a' a'*, the grooves running both longitudinally and transversely in the stove-top *a*. These various grooves *a'* constitute, when the utensil is in position upon the stove, the desired air-spaces. The grooves can be of any desired shape in cross-section, but the grooves must extend at least two ways in the stove-top, and the two sets

of grooves must intersect, for if the grooves extended but one way only the air could circulate but one way over the stove, and as the direction of the air-current about a stove-top is constantly changing and the air is liable to set in any direction it is necessary to provide channels to receive the air whichever way it moves. In practice it suffices if two sets of channels are used, and at right angles to each other, as shown, for a side air-current is thus provided for as well as one in the direction of the length of the stove, and by reason of the intersection of the grooves the air, after entering one channel, can pass into the intersecting channel or channels. Any desirable number of grooves can be used. In the stove-top the grooves may extend through the covers as well as throught the fixed portion of the stove-top. As the stove-covers in placing them in the openings in the stove-top are liable to be turned around, causing the grooves in the covers and the grooves in the fixed part of the stove-top to run crosswise to each other, the grooving of the covers operates practically to supply means by which the parallel grooves in the fixed part of the stove-part are connected.

I am aware that an inclosed frying and broiling apparatus having an inclined top and having grooves extending from the upper to the lower edge of the top for the purpose of collecting the drippings of the meat which in cooking is laid directly upon the top, has been used. The apparatus referred to, however, is in effect an imperforate gridiron or corrugated frying-pan, and in use inclosed by a cover, from the outer air, and would not in any way answer my present purpose.

I claim—

1. An ordinary cooking-stove the top of which is open to the air and grooved, the grooves extending through the movable covers as well as through the fixed part of the stove-top, for the purpose described.

2. An ordinary cooking-stove top open to the air and having two or more sets of grooves, *a'*, as and for the purpose described.

3. An ordinary cooking-stove top open to the air and having intersecting grooves *a'*, as and for the purpose described.

Catherine A. Williamson.

Witnesses:
C. D. Moody,
Charles Pickles.

(No Model.)

F. J. BALL.

STRAWBERRY SHORT CAKE BAKE PAN.

No. 495,872. Patented Apr. 18, 1893.

Fig. I.

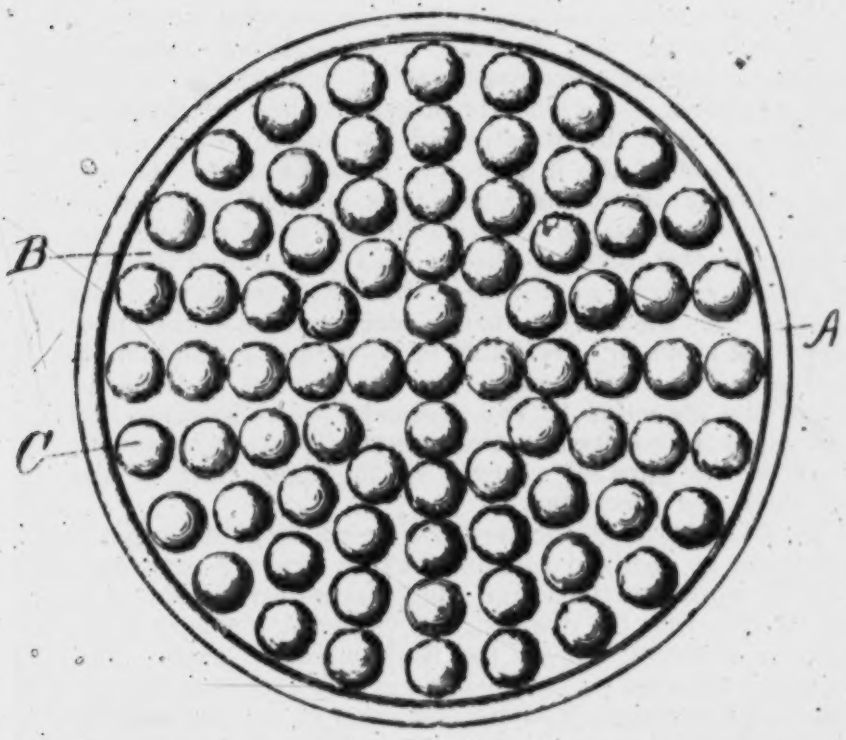


Fig. II.

Witnesses:
M. V. Bridgford
S. E. Martin

Inventor
Frederic J. Ball.
By Knight Bros
Attys.

315 UNITED STATES PATENT OFFICE

Frederic J. Ball, of Brooklyn, New York

STRAWBERRY-SHORT-CAKE BAKE-PAN.

Specification forming part of Letters Patent No. 495,872, dated April 18, 1893.

Application filed August 20, 1892. Serial No. 443,592. (No model.)

To all whom it may concern:

Be it known that I, Frederic J. Ball, a citizen of the United States, residing at Brooklyn, county of Kings,

Be it known that I, Frederic J. Ball, a citizen of the United States, residing at Brooklyn, county of Kings, State of New York, have invented certain new and useful Improvements in Strawberry-Short-Cake Bake-Pans, of which the following is a specification.

The invention relates to a utensil or pan for the reception of pastry, dough or other material to be cooked or baked and consists essentially of independent stamped up portions elevations adapted to form complementary impressions or pockets in the article to be cooked.

The invention is specifically designed for the layers of cake which are used in the manufacture of strawberry shortcake.

Referring to the accompanying drawings which form part of this specification:—Figure I is a plan view of my invention and Fig. II a cross section thereof.

In the figures, A is the pan, B the bottom thereof and C the stamped up and rounded portions or elevations which are adapted to form the complementary portions or pockkets in the cake or other material to receive the strawberries or other fruit.

It will be seen that this invention is adapted for the purpose I have described it and I will state that it may be

modified in various ways and without departing from the spirit of my invention.

Having thus described my invention, the following is what I claim as new therein and desire to secure by Letters Patent:

A strawberry short-cake bake pan provided with a series of independent pocket-forming elevations in its bottom, substantially as set forth.

Frederic J. Ball.

Witnesses:
Ralph Hindley,
Thos. J. Keenan.

(No Model.)

W. H. MULLINS.

BAKING PAN.

No. 563,675. Patented July 7, 1896.

Fig. 1

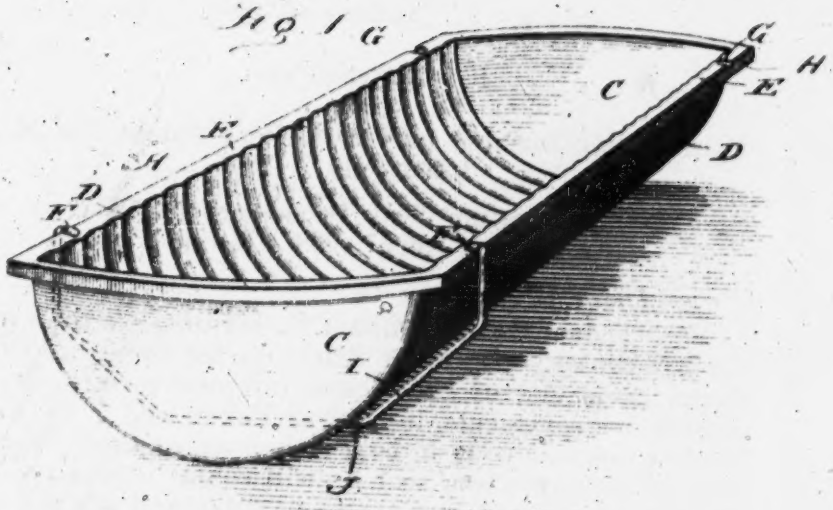


Fig. 2

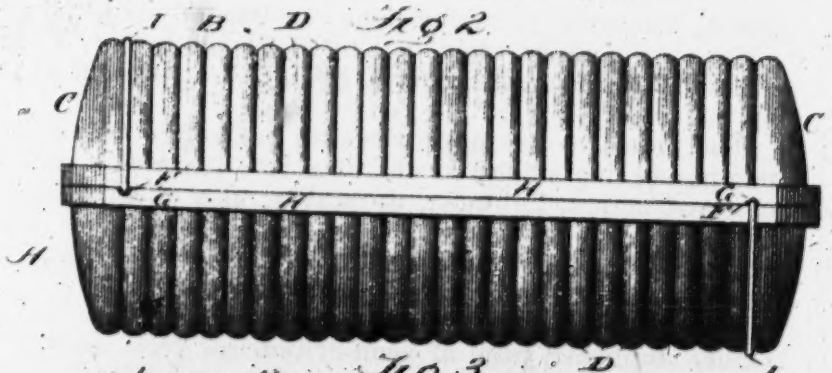
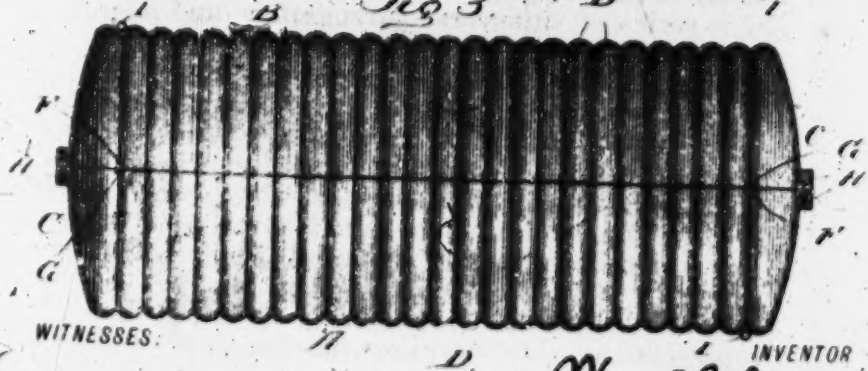


Fig. 3.



WITNESSES:

Edward Bridgman

H. S. Woodhull

INVENTOR

Wm. H. Mullins.

BY Wm. O. Dyer

ATTORNEY

318

UNITED STATES PATENT OFFICE

William H. Mullins, of Salem, Ohio.

Baking-Pan

Specification forming part of Letters Patent No. 563,675, dated July 7, 1896.

Application filed December 31, 1895.
Serial No. 573,938. (No model)

To all whom it may concern:

Be it known that I, William H. Mullins, a citizen of the United States, residing at Salem, in the county of Columbiana and State of Ohio, have invented certain new and useful Improvements in Baking-Pans; and I do hereby declare the following to be a full, clear, and exact description of the invention, such as will enable others skilled in the art to which it appertains to make and use the same.

My invention relates to culinary utensils, and has particular reference to baking-pans constructed upon the general principles embodied in United States Letters Patent No. 313,092, granted March 3, 1885, and at present owned by me.

The object of my improvements is the production of a pan numbering among its characteristic features simplicity of construction, lightness, durability, also effectiveness in use, especially as a baker of bread, and combining therewith the no less desirable quality of producing a maximum amount of crust upon a loaf of given size.

As a further object my invention contemplates and includes duplicate pans of semi-cylindrical form configured by a series of transverse corrugations and adapted to be used independently or together for the purpose of producing a semicylindrical or a cylindrical loaf, as the case may be, which is conversely corrugated upon its surface.

The invention will be hereinafter described, and particularly pointed out in the claims following.

In the accompanying drawings, which form part of this specification, and whereon similar reference-letters indicate like parts wherever employed, Figure 1 is a perspective view of a single-pan section, showing a pivotally-attached support therefor, partly in dotted lines. Fig. 2 represents in side elevation the complete or double pan

for producing a cylindrical loaf; and Fig. 3 is a vertical central section of the invention, taken through the longitudinal center of Fig. 2.

Reference being had to the drawings and letters thereon, A indicates the body of the pan, and B its top or cover, each stamped from single pieces of sheet metal in trough or semicylindrical shape with closed ends C C, and configured by a series of tranverse indentations D, combining to form continuous circular corrugations or depressions, as shown. The ends C C may also be configured, if desired, by an appropriate emblem or ornamentation to relieve them of their plainness.

The meeting or horizontal faces E of both pans A and B are plain surfaces, except for oppositely-disposed lugs F and depressions G stamped thereon, while at this point in each pan the structure is surrounded and reinforced by a downwardly-extending flange H of the metal. In each of the lugs F is journaled a swinging bail I having angular projecting sides and a flat horizontal shoe J, adapted to perform the double function of interlocking the pans and supporting them when in use.

It will be noted that a complete pan or set of pans thus constructed contemplates two corresponding sections A and B, each provided with a bail I, pivoted upon opposite sides thereof near its end. This bail I is preferably angular in form, as illustrated by Fig. 1, its projecting angular sides presenting a convenient means of swinging same upon its pivots—particularly when hot—and is of spring metal to facilitate its engagement and coaction with the corrugations D, as will later appear.

This being substantially a description of my invention, its use is as follows: A baking of dough having been placed in the pan A to a level of the edges or horizontal face E thereof immediately conforms its contacting surfaces to the interior or transversely-corrugated shape of the pan. Bail I is then swung upon its pivots until the horizontal portion of shoe J rests beneath the pan in one of the corrugations or depressions D, where it is retained by its inherent resiliency and serves to support the pan in an upright position during the process of baking. By this arrangement it is apparent that, at most, the pan can only have direct contact with the oven throughout its longitudinal conter at the extreme lowermost points of the corrugations D, and, as a matter of fact, the shoe J of bail I, when introduced beneath one end of the pan, elevates

such end a distance equal to the diameter or thickness of the bail. The effect of such support for the pan A results most advantageously to the baking and serves to insure a superior crusting of the loaf upon all sides. Being desired to produce a full cylindrical loaf it is only necessary to supply pan A more liberally with dough and inclose same by the cover or duplicate pan B. In this arrangement the lugs F on one pan engage depressions G on the other and insure complete registration of the transverse corrugations D, which combine to encircle the entire surface of the double pan. The pan A and its cover B are then firmly secured together by means of the swinging bails I, that pivoted upon the pan A being passed over the end of cover B, and that pivoted upon cover B being in like manner passed over the end of pan A, the latter serving the additional function of supporting the utensil in the manner heretofore described. It will now be seen that the resiliency of bails I permits each to spring into one of the corrugations D and interlock therewith, the same resiliency also rendering possible a further advancement of the bails over several such corrugations, as over a ratchet-bar or rack when desired, for the purpose of drawing and retaining the pan-sections in closer contact. A baking having been thus effected in a single or a double pan, the resulting loaf will be configured by a series of parallel transverse corrugations dividing the loaf upon its surface into as many equal divisions, which may be utilized to indicate points of cutting or slicing the loaf, or of dividing it into equal portions of greater size.

This being substantially the invention, what I claim, and desire to secure by Letters Patent, is—

1. A sheet-metal baking-pan bearing a series of transverse corrugations or projections, in combination with a supporting-bail adapted to interlock with said corrugations or projections, substantially as described.

2. A sheet-metal baking-pan bearing a series of transverse corrugations or projections, in combination with a swinging supporting-bail pivoted upon opposite sides thereof and adapted to interlock with said corrugations or projections substantially as described.

3. A semicylindrical baking-pan bearing a series of transverse corrugations or projections, in combination with a swinging supporting-bail pivoted thereon having a hori-

zontal foot for interlocking with said corrugations or projections, substantially as described.

4. A semicylindrical baking-pan bearing a series of transverse corrugations or projections, in combination with a swinging supporting-bail having projecting angular sides and a horizontal foot for interlocking with said corrugations or projections, substantially as described.

5. A baking-pan formed of two corresponding and interchangeable sections one provided with a bail adapted to swing over the other and interlock the two, substantially as described.

6. A baking-pan formed of two corresponding and interchangeable sections each provided with a bail adapted to swing over the other and interlock the two, substantially as described.

7. A baking-pan formed of two corresponding sections each bearing a series of transverse corrugations or projections, in combination with a bail pivoted upon each section adapted to engage said corrugations of the other section and interlock the two, substantially as described.

8. A cylindrical baking-pan formed of two corresponding sections surrounded by a series of transverse corrugations or projections in combination with lugs and depressions upon the meeting surfaces of said sections to insure registration, and a swinging bail upon each section for engaging the corrugations of its adjacent section and interlocking the two, substantially as described.

9. A cylindrical baking-pan formed of two corresponding sections bearing a series of transverse corrugations or projections, in combination with a reinforcing-flange on each pan-section, and interlocking bails pivoted between the flanges for engaging said corrugations, substantially as described.

In testimony whereof I subscribe my signature in presence of two witnesses.

William H. Mullins.

Witnesses:
John R. Farnum,
Wm. E. Dyre.

No. 835,876. PATENTED NOV. 13, 1906.

A. M. ANDERSEN.

COOKING UTENSIL.

APPLICATION FILED JULY 21, 1905.

2 SHEETS—SHEET 1

Fig. 4

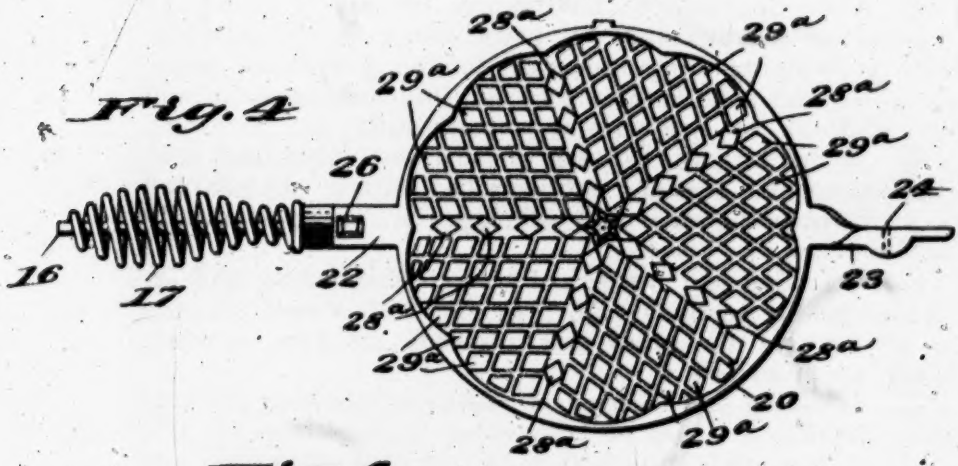


Fig. 5

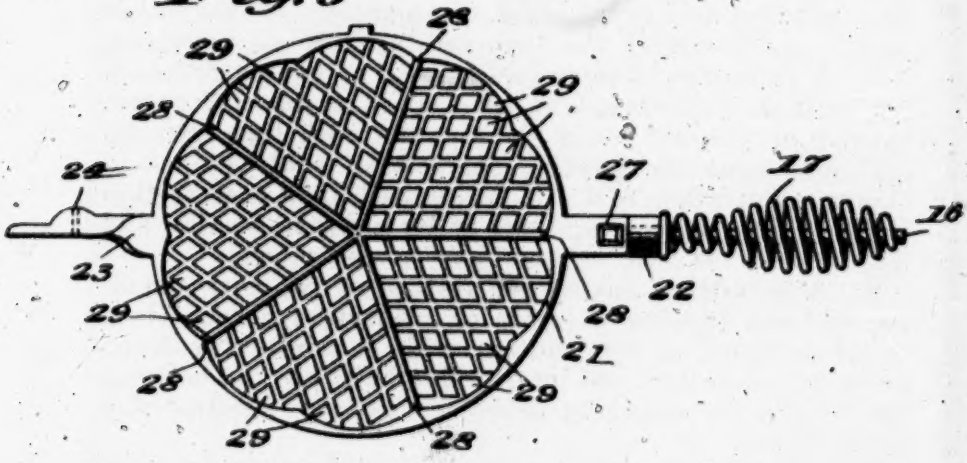
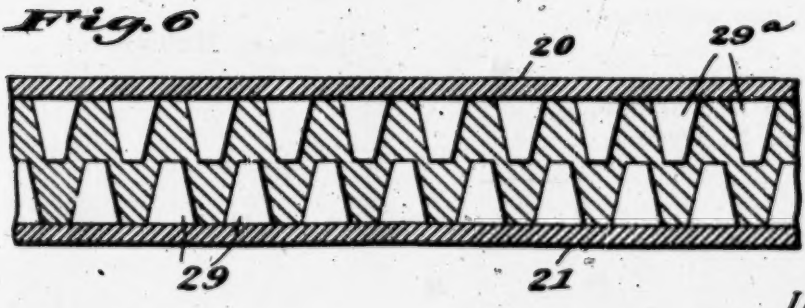


Fig. 6



WITNESSES:

J. B. Langlinger

M. A. Nyman.

INVENTOR

Andrew M. Andersen.

BY Chas. C. Tillman

ATTY.

No. 835,876. PATENTED NOV. 13, 1906.

A. M. ANDERSEN.

COOKING UTENSIL.

APPLICATION FILED JULY 21, 1905.

2 SHEETS—SHEET 1

Fig. 1.

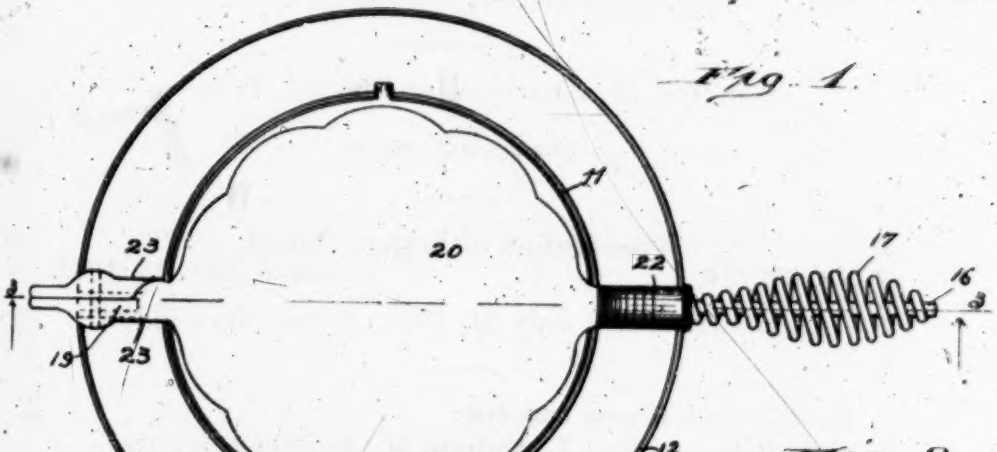


Fig. 2.

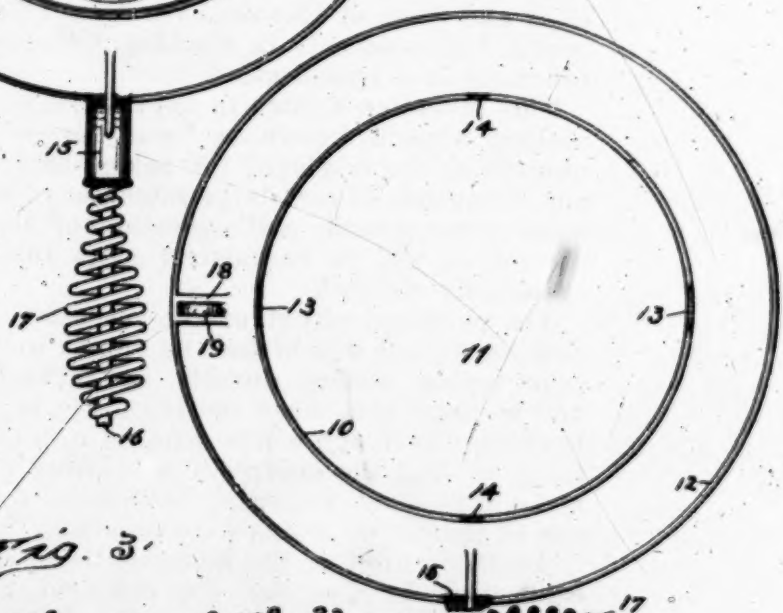
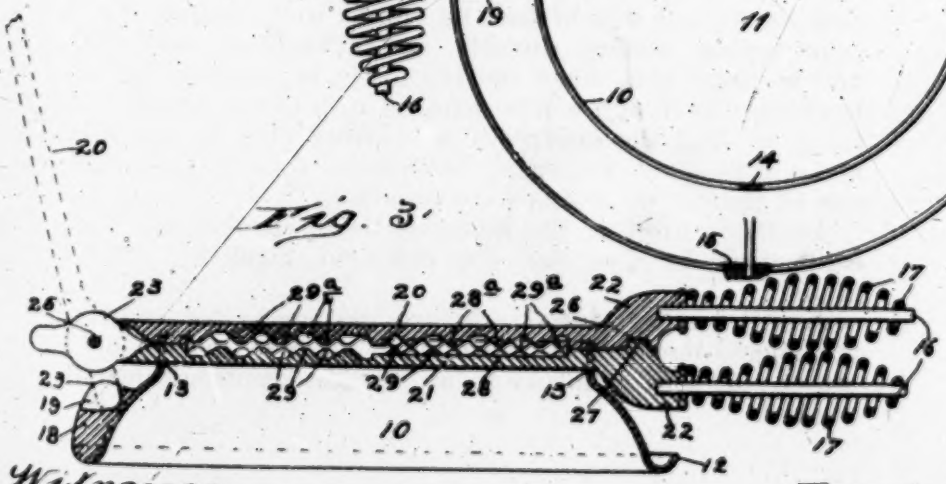


Fig. 3.



Witnesses.

Chas. E. Gorton

M. A. Hymans

Inventor.

Andrew M. Andersen.

Chas. E. Gorton

324 UNITED STATES PATENT OFFICE

Andrew M. Andersen, of Chicago, Illinois.

Cooking Utensil.

Specification of Letters Patent.

No. 835,876. Patented Nov. 13, 1906.

Application filed July 21, 1905. Serial No. 270,599.

To all whom it may concern:

Be it known that I, Andrew M. Andersen, a citizen of the United States, residing at Chicago, in the county of Cook and State of Illinois, have invented certain new and useful Improvements in Cooking Utensils, of which the following is a specification.

This invention relates to improvements in that type of cooking utensils known as "waffle-irons"—that is, such utensils as are employed for baking batter or thin cakes; and it consists in certain peculiarities of the construction, novel arrangement, and operation of the various parts thereof as will be hereinafter more fully set forth and specifically claimed.

The principal object of the invention is to provide a cooking utensil which shall be simple and inexpensive in construction, strong, durable, and efficient in operation, and so made that when the parts are in position for use the batter or dough will be pressed into thin cakes or portions, so that the operation of cooking may be hastened and will be more thoroughly performed than by such utensils of the old or common construction.

Another object of the invention is to furnish non-heat-conducting handles for the different members of the utensil.

A still further object is to provide means for securing the hinged members of the utensil together and for holding one of said members in an upright position when so desired.

Other objects and advantages of the invention will be disclosed in the subjoined description and explanation.

In order to enable others skilled in the art to which my invention pertains to make and use the same, I will now proceed to describe it, referring to the accompanying drawings, in which—

Figure 1 is a plan view of a cooking utensil embodying one form of my invention. Fig. 2 is a similar view of the base thereof, showing the handle of the same broken off. Fig. 3 is a transverse sectional view taken on line 3 3 of Fig. 1 looking in the direction indicated by the arrows. Fig. 4 is an inner face view of one of the hinged members of the utensil. Fig. 5 is a similar view of the other hinged member. Fig. 6 is an enlarged longitudinal sectional view of a part of the two members in the closed position, illustrating the manner in which the batter or dough is shaped by the arrangement of teeth on the sections.

Like numerals of reference refer to corresponding parts throughout the different views of the drawings.

The reference-numeral 10 designates the base of the utensil and, as shown, is circular in form and has a central opening 11 for the reception and operation of the hinged or baking members. The base 10 is flaring toward its bottom and has on its lower rim an upturned external flange 12, while its upper rim is provided with downwardly-curved recesses 13 and 14, which are arranged in pairs diametrically opposite each other, as is clearly shown in Fig. 2 of the drawings. Near one of the recesses 14 the base 10 is formed with an outwardly-extending projection 15, in which is secured a rod 16, around which is coiled a stiff wire 17, which is contracted at each of its ends, so as to clamp the rod 16, yet to hold the main portion of the wire 17 from said rod, thus preventing the wire becoming heated to an uncomfortable degree. Near one of the recesses 13 the base is provided on its outer surface with a lug 18, which is formed in its upper portion with a recess 19 for the purpose to be presently explained.

The reference-numerals 20 and 21 designate the baking or hinged members which are externally counterparts of one another, but differ in their construction on the inner faces. Each of the members 20 and 21 is provided with an outwardly-extending projection 22, in which is secured a rod 16 around which is coiled a stiff wire 17 of the same construction and for the same purpose as that shown on

the base of the utensil and above described. Diametrically opposite the projection 22 each of the hinged members is provided with an extension 23, having a transverse opening 24 to receive a bolt 25, used for pivotally securing the extensions 23 on the hinged pieces together. When in their closed positions, as shown in Fig. 3 of the drawings, the projections 22 and extensions 23 on the hinged members will form an axle upon which said members may be turned within in the central opening of the base 10, as will be clearly understood by reference to Figs. 1 and 3 of the drawings, from which views it will also be seen and understood that the recesses 13 in the upper rim of the base will provide bearings for said projections and extensions. Each of the extensions 23 is formed adjacent to the edge of its member with a slight spiral shape or twist, while its outer portion is flattened on one of its surfaces and rounded on its outer surface, so that when said members are bolted together and the hinged members are closed they, the extensions, will form substantially a cylindrical stub-shaft. When one of the hinged members is raised to the position indicated by dotted lines in Fig. 3 of the drawings, the outer end of its extension 23 will engage the recess 19 of the lug 18 on the base and hold said member in its elevated position. One of the hinged members is provided on the surface of its projection 22 adjacent to the projection on the other hinged member with a recess 26 to receive a lug 27 on the projection 22 of the other member, which lug and recess serve to hold the hinged members together against lateral movement. One of the hinged members, usually the one indicated by the reference-numeral 21, is provided on its inner face with a recess which is practically as large as the member itself, or, in other words, extends nearly to its periphery and has therein a series of radial ribs 28, which divide said recess of the member into a series of compartments in each of which compartments are arranged in rows a series of teeth 29, tapered toward their free ends, and which terminate a slight distance below the horizontal plane of the peripheral face of said member when it occupies a horizontal position. The teeth 29 are therefore by the disposition and arrangement of the radial ribs 28 substantially divided or separated into groups, the said groups of teeth and the radially-disposed ribs coacting with the teeth of the member 20 in a specific manner, as will hereinafter more fully

appear, for the accomplishment of an improved and advantageous result when using my improved waffle-iron. The other hinged member, usually the one indicated by the reference-numeral 20, is provided on its inner face with a recess of the same character as the recess in the member 21, and has therein a series of teeth 28^a, which terminate a slight distance below the horizontal plane of the peripheral face of said member when it occupies a horizontal position. These teeth 28^a are arranged in radial rows, and when the members 20 21 are closed the said teeth 28^a register with or, in other words, lie directly opposite to the ribs 28 in the member 21. The member 20 is also provided with a series of teeth 29^a, which like the teeth 29 and teeth 28^a, terminate a slight distance below the horizontal plane of the peripheral face of the member 20, when it occupies a horizontal position. These teeth 29^a are adapted to lie directly above the valleys or indentations between the teeth 29 on the hinged member 21, or, in other words, the teeth 29 and the teeth 29^a are so disposed or arranged on the respective members that when the said members are in the closed position the teeth of one member are staggered with respect to the teeth of the other member. The radial rows of teeth 28^a in the member 20 divide or separate the teeth 29^a into groups of the same configuration as the groups of teeth 29 in the member 21. The teeth 29^a on the member 20 are, like the teeth 29 on the member 21, tapered toward their free ends which ends extend almost to a horizontal plane on the peripheral face of the member 20 when it is in a horizontal position or closed on the other member.

The construction of the hinged members or plates 20 and 21 and the arrangement of the respective teeth and ribs on the inner surfaces of said members, as described above, are such that when the said members are brought together, as shown in Fig. 3, there will be but slight spaces between the projecting teeth of each member, thus forming the batter or dough on each of its surfaces with indentations alternately disposed or staggered with respect to one another, so that the cooking will be facilitated and more thoroughly than ordinarily.

By the specific arrangement of the teeth and ribs in one member with relation to the teeth in the other member, as described above, it will be observed that each side of the cake or dough will be formed with indentations of approxi-

mately the same depth, and that the inner ends of said indentations or depressions will reach to a plane drawn horizontally through the middle of the cake or dough, and that the depressions formed by the radial ribs 28 and the radially-arranged teeth 28^a will indicate the points at which the cake may be divided into segmental pieces.

Having thus fully described my invention, what I claim as new, and desire to secure by Letters Patent, is—

1. A cooking utensil embodying two circular members pivotally secured together and each having its inner face provided with a recess, one of said members provided in its recess with groups of teeth of less height than the walls of the recess and the groups separated by radial ribs, also of less height than the walls of the recess, the other of said members having groups of teeth in its recess of less height than the walls of the recess and divided by radially-extending rows of teeth, the said groups of teeth in said members being disposed so that when the members are closed the groups of teeth in one member lie opposite the indentations between the teeth in the other member and the radially-extending rows of teeth in one member lie opposite the radial ribs in the other member.

2. A cooking utensil embodying two circular members pivotally secured together and each having its inner face provided with a recess, one of said members provided in its recess with groups of teeth of less height than the walls of the recess, radial ribs separating said groups of teeth and being of less height than the walls of the recess, groups of teeth arranged in the recess of the other of said members and of less height than the walls of the recess, radially-extending rows of teeth separating the groups of teeth in the last-named member, all of said teeth being tapered toward their free ends, and the said groups of teeth in one member so disposed that when the members are closed said teeth will lie opposite the indentations between the groups of teeth in the other member, and said radial ribs and radially-extending rows of teeth being so disposed on the respective members as to lie directly opposite each other when the members are closed.

3. A cooking utensil embodying two members pivotally secured together and each having its inner face provided with a recess, one of said members provided in its recess with a plurality of teeth tapered toward their free ends and of less height than the walls of said recess, radially-

extending ribs within the recess of said member separating said teeth into groups, the other of said members having teeth in its recess tapered toward their free ends and of less height than the walls of the recess, radially-extending rows of teeth in said second-named member dividing the first-named teeth thereof into groups corresponding in configuration to the groups of teeth in the first-named member, the said groups of teeth in one member so disposed with relation to the groups of teeth in the other member that when the members are closed the teeth in the matching groups of the members will be staggered with respect to each other and said radially-disposed ribs and radially disposed rows of teeth of the respective members being so disposed on the members that when the latter are closed the said rows of teeth will lie directly opposite said radially-disposed ribs.

Andrew M. Andersen.

Witnesses:
M. A. Nyman,
Chas. C. Tillman.

April 19, 1927. 1,625,243

L. CORTZ

QUICK ACTION WAFFLE IRON

Filed Nov. 27, 1925

Fig. 1.

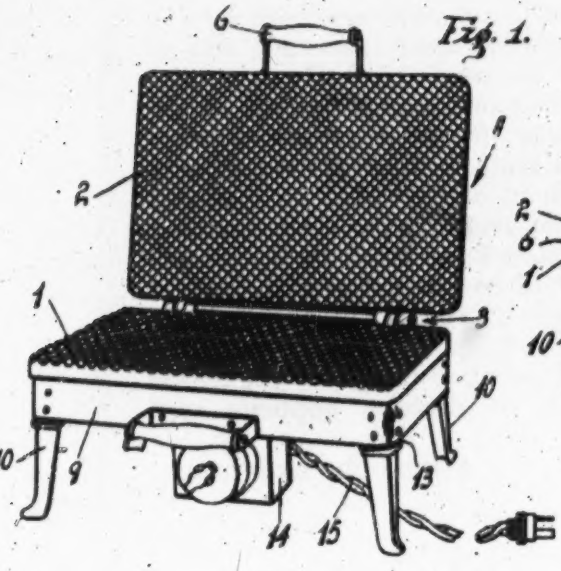


Fig. 2.

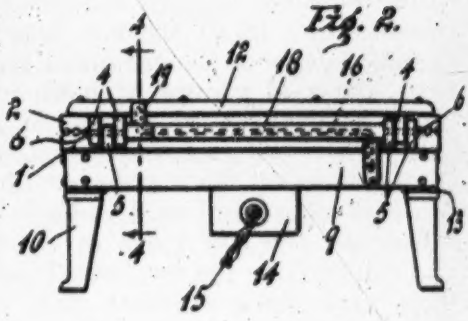


Fig. 3.

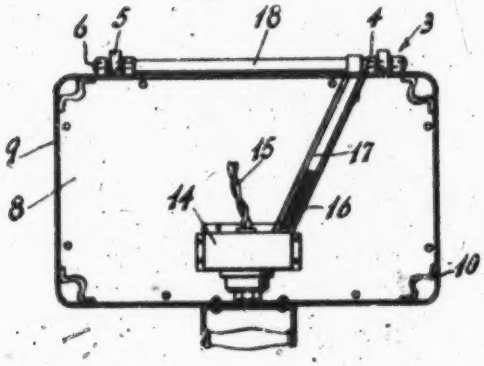
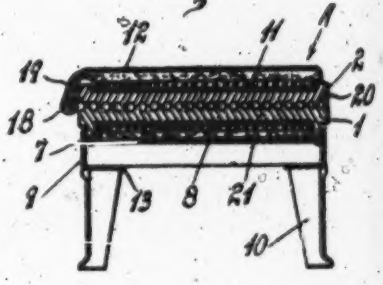


Fig. 4.



INVENTOR.
LOUIS CORTZ.

BY

329 Patented Apr. 19, 1927. 1,625,243

UNITED STATES PATENT OFFICE

Louis Cortz, of Long Beach, California.

Quick-Action Waffle Iron.

Application filed November 27, 1925. Serial No. 71,632.

An object of my invention is to provide an electrically operated iron upon which thin waffle like cakes may be baked for use in preparing ice cream sandwiches.

Another object is to provide a simple durable and efficient iron for the purpose stated.

Other objects, advantages and features of invention may appear from the accompanying drawing, the subjoined detailed description and appended claims.

In the drawing illustrating my invention,

Fig. 1 is a perspective view of my iron.

Fig. 2 is a rear elevation of the same.

Fig. 3 is a bottom plan view of the iron.

Fig. 4 is a sectional view taken on line 4—4 Fig. 2.

Referring more particularly to the drawing:

This invention is particularly applicable for baking thin, crisp, waffle like cakes which are used in making ice cream sandwiches. A slice of brick ice cream is placed between two of the cakes to form a delicious confection.

My waffle iron A comprises a rectangular stationary flat bottom plate 1, and a rectangular flat top plate 2, hinged at the rear as at 3 to the bottom plate. The top plate 2 is formed with lugs 4—4, and the bottom plate 1 with lugs 5—5, and pins 6—6 extend through the lugs 4, 5 to form the hinge 3.

A handle 6 is secured to the front edge of plate 2 whereby said plate may be lifted.

Heating coils 7 are provided in the plate 1 and a cover plate 8 secured to the plate 1 protects said coils. An apron 9 is secured to and depends from the plate 1, and legs 10 are secured to said apron whereby the iron A is supported.

A heating coil 11 is mounted in the plate 2 and a cover plate 12 is secured to the plate 2 to protect said coil.

Insulating pads 13 are inserted between the legs 10 and apron 9 to prevent any short circuiting of the electrical current to the ground.

A switch 14 is secured to the plate 8 adjacent the forward edge thereof, so that it is readily accessible to the operator, and a cord 15 conducts the current thereto from the line (not shown). The switch is directly connected to the coil 7 in a well known manner through the plate 8. A lead 16 extends from the switch 14 through a conduit 17 on the bottom of plate 8 to a tube 18 extending across the back of the iron A between lugs 4, 5. A short conduit 19 extends from the tube 18 to the cover plate 12 and is secured thereto and the lead 16 extends through the conduits 17 and 19 to the coil 11. Thus the coil 11 is supplied with current through a lead which is entirely covered and protected, which is more sightly and is not liable to get out of order or injured.

Each of the plates 1, 2 are formed with short protuberances 20, 21 set very close together so that the cake baked in the iron will be thin and crisp. Also the rectangular form of the iron enables a plurality of cakes to be baked at one time;—for example six or more.

Having declared my invention I claim:

1. An electrically heated baking iron comprising a rectangular lower plate, a rectangular upper plate hinged to said lower plate, the abutting faces of said plates being formed with short protuberances set close together, a heating coil in said lower plate, a heating coil in said upper plate, a switch mounted on said lower plate adjacent the forward edge thereof, and electrically connected to said coil in the lower plate, a horizontally extending tube mounted at the rear of said iron, a conduit on said lower plate extending from said switch box to said tube, a second conduit extending from said tube to the upper plate, and a lead extending thru said tube and conduits to the coil in the upper plate.

2. An electrically heated waffle iron comprising a rectangular lower plate, a rectangular upper plate, lugs on said lower plate and upper plates, a pin extending through said lugs whereby the plates are hinged together, the abutting faces of said plates being formed with short protuberances set close together, a heating coil in said lower plate, a heating coil in said upper plate, a switch mounted on the bottom of said lower plate adjacent the forward edge thereof and electrically connected to the coil

in the lower plate, a tube extending over said pin between the lugs, a conduit on the bottom of the lower plate extending from said switch position to the tube, a second conduit extending from said tube to the upper plate and secured to said upper plate, a lead extending through said tube and conduits to the coil in the upper plate, an apron depending from the lower plate, legs secured to said apron and insulating pads positioned between said legs and the apron.

In testimony whereof I affix my signature.

Louis Cortz.

339 CERTIFICATE OF CLERK

Northern District of Illinois,
Eastern Division—ss:

I, Roy H. Johnson, Clerk of the District Court of the United States for the Northern District of Illinois, do hereby certify the above and foregoing to be a true and complete transcript of the proceedings had of record made in accordance with Designation filed in this Court in the cause entitled Chicago Metallic Manufacturing Company *vs.* Edward Katzinger Company, Civil Action No. 2647, as the same appear from the original records and files thereof, now remaining in my custody and control.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at my office, in the City of Chicago, in said District, this 29th day of May, A. D. 1943.

(Seal)

Roy H. Johnson,
Clerk.

UNITED STATES CIRCUIT COURT OF APPEALS

For the Seventh Circuit.

I, Kenneth J. Carrick, Clerk of the United States Circuit Court of Appeals for the Seventh Circuit, do hereby certify that the foregoing printed pages contain a true copy of the printed transcript of record, filed on the ninth day of July, 1943, in:

Cause No. 8320

Chicago Metallic Manufacturing Company,
Plaintiff-Appellant,

vs.

Edward Katzinger Company,
Defendant-Appellee,

as the same remains upon the files and records of the United States Circuit Court of Appeals for the Seventh Circuit.

In Testimony Whereof I hereunto subscribe my name and affix the seal of said United States Circuit Court of Appeals for the Seventh Circuit, at the City of Chicago, this 19th day of March, A. D. 1946.

(signed) Kenneth J. Carrick,
(seal) *Clerk of the United States Circuit Court of Appeals for the Seventh Circuit.*

At a regular term of the United States Circuit Court of Appeals for the Seventh Circuit, held in the City of Chicago, and begun on the twenty-eighth day of September, in the year of our Lord one thousand nine hundred and forty-three and of our Independence, the one hundred and sixty-eighth.

Chicago Metallic Manufacturing Company, *Plaintiff-Appellant,* 8320 *vs.* Edward Katzinger Company, *Defendant-Appellee,*	Appeal from the District Court of the United States for the Northern District of Illinois, Eastern Division.

And, to-wit: On the tenth day of December, 1943, there was filed in the office of the Clerk of this Court, the Opinion of the Court, which said opinion is in the words and figures following to-wit:

IN THE UNITED STATES CIRCUIT COURT OF APPEALS

For the Seventh Circuit.

No. 8320. October Term and Session, 1943.

Chicago Metallic Manufacturing Company, *Plaintiff-Appellant,* *vs.* Edward Katzinger Company, *Defendant-Appellee.*	Appeal from the District Court of the United States for the Northern District of Illinois, Eastern Division.

December 10, 1943.

Before MAJOR, KERNER, and MINTON, *Circuit Judges.*

MINTON, *Circuit Judge.* The only question presented on this record is whether or not the plaintiff-appellant is es-

topped to deny the validity of Mechanical Patent No. 2,077,757 and Design Patent No. D-108573 for a baking pan, issued to one Jackson April 20, 1937 and February 22, 1938, respectively. These patents were assigned to the defendant-appellee, who is now the owner thereof. The District Court did not pass upon the validity of these patents as to all the world. It found:

> "* * * petitioner (appellant) is estopped to deny the validity of the two patents relied upon by the respondent herein."

Upon such findings, the District Court in its conclusions of law stated that each of said patents "is valid as between the parties to this suit."

The District Court, having found that the appellant was estopped to deny the validity of the patent, entered its decree that each of the said patents "is valid as to each of its claims, as between the parties to this suit" and, having found infringement of both patents, ordered an accounting as to both. From this decree, the appellant brings this appeal.

If the estoppel upon which the court relied is not warranted, then the validity of the patents has not been tried and determined. Of course, we shall not reach the question of infringement until the validity of the estoppel is determined. Was the estoppel valid?

The appellant and the appellee, prior to the time the patents in question issued, were engaged in manufacturing baking pans. At first the pans were all made of smooth, unfigured material. Just prior to the issuing of the patents in suit, the appellant was manufacturing its Bakerex line and the appellee its Ovenrex line, in accordance with the claims afterwards allowed in the patents. These pans were manufactured from patterned metal strips. When the Mechanical Patent issued and while application was pending for the Design Patent, the appellee, as assignee and owner, wrote the appellant advising it of the appellee's patent rights and asserting that the appellant was infringing. On October 1, 1937, the appellant and the appellee entered into a non-exclusive licensing agreement authorizing the appellee to manufacture baking pans in accordance with the patent issued and the Design Patent for which application was pending. This license agreement contained certain price-fixing provisions, which are set forth in the margin.[1]

1. "11. Licensor reserves the right to establish a minimum sales price for the articles or products which Licensee is licensed to manufacture

The duration of the license agreement and rights on termination were controlled by Paragraph 14, which is set forth in the margin.[2]

On February 20, 1941, the appellant elected to terminate this license agreement. The appellee contends the effect of the appellant's action was to terminate the contract as to the price-fixing provisions, and, since the appellant was manufacturing the line of baking pans known as Bake-King which the appellee claimed infringed its patents, to bring into effect the estoppel provision of Paragraph 14.

After the trial was concluded but before the court entered its decree, the Supreme Court decided *Sola Electric Co.* v. *Jefferson Electric Co.*, 317 U. S. 173, 63 S. Ct. 172, 87 L. Ed. 150. The District Court in its memorandum opinion said it did not think the *Sola Electric* case applied, stating:

"The decision of the Supreme Court in the case of *Sola Electric Company* v. *Jefferson Electric Company* so strongly urged by the petitioner as being applicable

---

hereunder and to modify or change such minimum prices from time to time during the life of this agreement. The Licensor, as well as Licensee and any other person, persons or corporation licensed by Licensor, shall not, with the consent of Licensor, sell or offer for sale, or otherwise dispose of any of the licensed devices or products below said minimum sales price, or on more favorable terms of sale than those set forth in any such scale of prices so established by Licensor. Contemporaneously with the execution and delivery of this license agreement, Licensee has received from Licensor a schedule of minimum prices, effective as of the date hereof, below which none of the products or devices made under this license shall be sold. Licensor reserves the right, upon thirty (30) days' notice in writing given by Licensor to Licensee, to change said minimum prices from time to time during the life hereof. On such article or devices made and sold by Licensee as to which Licensor shall have failed or neglected to establish a minimum sales price, the royalty shall likewise be computed on the net sales price received by Licensee from its customers. Licensee or its duly authorized representatives shall have access from time to time to the books of account of Licensor during ordinary business hours for the purpose of determining whether or not Licensor has complied with the provisions of this paragraph."

2. "14. The contract shall remain in force for and during the life of the last expiring patent coming within the terms of this license unless sooner terminated by either party upon sixty days' written notice to the other party, provided, however, that Licensee may avail itself of this right to terminate only upon ceasing to manufacture, sell or distribute articles embodying or made in accordance with any of the licensed patents or applications, except as provided in paragraph 9 hereof. Should Licensee elect to terminate, as aforesaid, except as provided in paragraph 9 hereof, without ceasing to manufacture, sell or distribute said article, it shall be estopped from denying the validity of said patent or patents, or any of them, and be deemed an infringer thereof."

to this case, I feel is not in point. In this case no price fixing by the respondent has been proved by the petitioner. The evidence shows that the clause to which petitioner refers in its argument was inserted in the contract at the request of the petitioner. At no time did the respondent attempt to carry it out and the respondent was at all times willing to have same removed from the contract. For these and other reasons apparent upon a reading of the Supreme Court's opinion, I feel that the decision in the *Sola Electric Company* case is not controlling here."

The license agreement, Paragraph 11, *supra* note 1, did provide for a clear price-fixing arrangement. The appellee will not be heard to say that it really was not in favor of the provisions as to price-fixing contained in a written agreement it had signed, or that it did not practice price-fixing. The important thing is that the appellee had provided by contract *for the right to fix prices.* The agreement was plain and unambiguous. It is not claimed otherwise. There was no justification for the construction that the District Court put upon it to avoid the scope of the Supreme Court's opinion in the *Sola* case. By the plain provisions of the license agreement, there were arrangements for price-fixing. This was not a separable provision of the agreement. and it was, like the rest of the agreement, based upon a common consideration and was a part of the contract after notice of determination, though *functus officio* as to the future. The agreement was not purged of the deleterious effect of the price-fixing arrangement by notice of termination. The vice lay in its incorporation in the contract at all. A contract containing price-fixing provisions which do not have the protection of a lawfully granted patent monopoly is invalid, being a violation of the Sherman Act, and no recovery may be had upon it. *Continental Wall Paper Co.* v. *Voight & Sons Co.*, 212 U. S. 227, 29 S. Ct. 280, 53 L. Ed. 486. Therefore, since the validity of the entire contract depends upon the validity of the patent, it is clear that no estoppel arising out of the contract can prevent an examination of the patent's validity.

We decide on the authority of the *Sola* case, *supra*, that the appellant was not estopped to deny the validity of the patents, because the license agreement which provided for the estoppel carried a provision for price-fixing. For that reason, no estoppel could arise.

The District Court has not passed upon the validity of the patents except by way of estoppel. We have held that the estoppel is unwarranted. The question of the patents' validity is wide open as to the appellant and all the world. As the District Court has not passed upon the validity of these patents we would not be warranted in passing upon it.

The judgment is reversed.

Endorsed: Filed December 10, 1943. Kenneth J. Carrick, Clerk.

And on the same day, to-wit: On the tenth day of December, 1943, the following further proceedings were had and entered of record, to-wit:

Friday, December 10, 1943.

Court met pursuant to adjournment.

Before:

Hon. J. Earl Major, Circuit Judge.
Hon. Otto Kerner, Circuit Judge.
Hon. Sherman Minton, Circuit Judge.

Chicago Metallic Manufacturing Company, *Plaintiff-Appellant,* *vs.* Edward Katzinger Company, *Defendant-Appellee.*	Appeal from the District Court of the United States for the Northern District of Illinois, Eastern Division.

8320

This cause came on to be heard on the transcript of the record from the District Court of the United States for the Northern District of Illinois, Eastern Division, and was argued by Counsel.

On consideration whereof, it is ordered and adjudged by this Court that the judgment of the said District Court in this cause appealed from be, and the same is hereby, reversed, with costs, and that this cause be, and it is hereby, remanded to the said District Court.

And afterwards, to-wit: On the second day of March, 1946, there was filed in the office of the Clerk of this Court, a Designation of record, which said designation is in the words and figures following, to-wit:

IN THE UNITED STATES CIRCUIT COURT OF APPEALS

For the Seventh Circuit.

Chicago Metallic Manufacturing Co., *Plaintiff-Appellant*, *vs.* Edward Katzinger Co., *Defendant-Appellee.* } No. 8320.

DESIGNATION FOR TRANSCRIPT OF RECORD.

To the Clerk of the Above Court:

You are hereby requested to make a transcript of record to be filed in the Supreme Court of the United States pursuant to a Petition for a Writ of Certiorari to be filed in the above entitled cause, and to include in such transcript of record the following, and no other papers and exhibits, to wit:

1. The printed transcript of record filed June 1, 1943.
2. The opinion and judgment of this Court in the above-entitled cause of December 10, 1943.
3. This designation of record and service thereon.

Said transcript to be prepared as required by law, and the rules of this Court and the rules of the Supreme Court of the United States to be filed in the Office of the Clerk of the Supreme Court of the United States concurrently with said Petition for Writ of Certiorari.

Charles J. Merriam,
Stanley Hoods,
Counsel for Petitioner.

Service of the above designation accepted and acknowledged this 28th day of February, 1946.

Ephraim Banning,
Counsel for Respondent.

Endorsed: Filed March 2, 1946. Kenneth J. Carrick, Clerk.

UNITED STATES CIRCUIT COURT OF APPEALS

For the Seventh Circuit.

I, Kenneth J. Carrick, Clerk of the United States Circuit Court of Appeals for the Seventh Circuit, do hereby certify that the foregoing printed pages contain a true copy of proceedings had and papers filed as called for by the designation of record, filed March 2, 1946, in:

Cause No. 8320

Chicago Metallic Manufacturing Company,
Plaintiff-Appellant,

vs.

Edward Katzinger Company,
Defendant-Appellee,

as the same remains upon the files and records of the United States Circuit Court of Appeals for the Seventh Circuit.

In Testimony Whereof I hereunto subscribe my name and affix the seal of said United States Circuit Court of Appeals for the Seventh Circuit, at the City of Chicago, this 19th day of March, A. D. 1946.

(signed) Kenneth J. Carrick,
(seal) *Clerk of the United States Circuit Court of Appeals for the Seventh Circuit.*

SUPREME COURT OF THE UNITED STATES

ORDER ALLOWING CERTIORARI—Filed April 29, 1946

The petition herein for a writ of certiorari to the United States Circuit Court of Appeals for the Seventh Circuit is granted, and the case is assigned for argument immediately following No. 410.

And it is further ordered that the duly certified copy of the transcript of the proceedings below which accompanied the petition shall be treated as though filed in response to such writ.

Mr. Justice Jackson took no part in the consideration or decision of this application.

CLERK'S COPY.

TRANSCRIPT OF RECORD

Supreme Court of the United States

OCTOBER TERM, 1946

No. 71

EDWARD KATZINGER COMPANY, PETITIONER,

vs.

CHICAGO METALLIC MFG. COMPANY

ON WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE SEVENTH CIRCUIT

PETITION FOR CERTIORARI FILED MARCH 26, 1946.

CERTIORARI GRANTED APRIL 29, 1946.

IN THE

Supreme Court of the United States

OCTOBER TERM, 1945.

No.

EDWARD KATZINGER COMPANY,

Petitioner,

vs.

CHICAGO METALLIC MANUFACTURING COMPANY,

Respondent.

ON WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE SEVENTH CIRCUIT.

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TRANSCRIPT OF RECORD

In the United States Circuit Court of Appeals For the Seventh Circuit

No. 8753

CHICAGO METALLIC MANUFACTURING COMPANY,

Plaintiff-Appellee,

vs.

EDWARD KATZINGER COMPANY,

Defendant-Appellant.

U. S. C. C. A. - 7
FILED
MAY 23 1945
KENNETH J. CARRICK
CLERK

Appeal from the District Court of the United States for the Northern District of Illinois, Eastern Division.

THE DARTNELL-WARREN PRINTING COMPANY, 500 WEST JACKSON, CHICAGO

TRANSCRIPT OF RECORD FILED JAN. 19, 1945.
PRINTED RECORD.

In the
United States Circuit Court of Appeals
For the Seventh Circuit

No. 8753

CHICAGO METALLIC MANUFACTURING COMPANY,

Plaintiff-Appellee,

vs.

EDWARD KATZINGER COMPANY,

Defendant-Appellant.

Appeal from the District Court of the United States for the Northern District of Illinois, Eastern Division.

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1 Pleas had at a regular term of the District Court of the United States for the Eastern Division of the Northern District of Illinois begun and held in the United States Court Rooms in the City of Chicago in the Division and District aforesaid on the first Monday of September (it being the fourth day thereof) in the year of our Lord One Thousand Nine Hundred and Forty-Four and of the Independence of the United States of America the 169th year.

Present:

Hon. John P. Barnes, District Judge.
Hon. Philip L. Sullivan, District Judge.
Hon. Michael L. Igoe, District Judge.
Hon. William J. Campbell, District Judge.
Hon. Walter J. LaBuy, District Judge.
Hon. Elwyn R. Shaw, District Judge.
Hon. William H. Holly, District Judge.
Roy H. Johnson, Clerk.
William H. McDonnell, Marshal.

Wednesday, September 27, 1944.

Court met pursuant to adjournment.

Present: Honorable William J. Campbell, Trial Judge.

2 IN THE DISTRICT COURT OF THE UNITED STATES

For the Northern District of Illinois,

Eastern Division.

Chicago Metallic Manufacturing Company, *Plaintiff,* vs. Edward Katzinger Company, *Defendant.*	Civil Action No. 2647.

Be It Remembered, that on, to wit, the 25th day of January, 1944, there was filed in the office of the Clerk of the District Court of the United States for the Northern District of Illinois, Eastern Division, a certain Mandate from the United States Circuit Court of Appeals for the Seventh Circuit, in words and figures following, to wit:

3 United States of America, } ss.

The President Of The United States of America To the Honorable the Judges of the District Court of the United States for the Northern District of Illinois, Eastern Division Greeting:

Whereas, lately in the District Court of the United States for the Northern District of Illinois, Eastern Division, before you, or some of you, in a cause between Chicago Metallic Manufacturing Company, Plaintiff, and Edward Katzinger Company, Defendant, No. 2647, judgment was entered April 24, 1943 as by the inspection of the transcript of the record of the said District Court, which was brought into the United States Circuit Court of Appeals for the Seventh Circuit by virtue of an appeal by Chicago Metallic Manufacturing Company agreeably to the act of Congress, in such case made and provided, fully and at large appears.

4 And Whereas, in the term of October, in the year of our Lord one thousand nine hundred and forty-three,

the said cause came on to be heard before the said United States Circuit Court of Appeals for the Seventh Circuit, on the said transcript of record, and was argued by counsel

On Consideration Whereof, it is ordered and adjudged by this Court that the judgment of the said District Court in this cause appealed from be, and the same is hereby, reversed, with costs, and that this cause be, and it is hereby, remanded to the said District Court.

Friday, December 10, 1943.

And further that appellant, Chicago Metallic Manufacturing Company, recover against the appellee, Edward Katzinger Company the sum of four hundred and thirty/100 Dollars ($400.30) for costs herein expended with direction to award execution thereof.

You, therefore, are hereby commanded that such further proceedings be had in said cause, as according to right and justice, and the laws of the United States, ought to be had, the said judgment notwithstanding.

Witness, the Honorable Harlan F. Stone, Chief Justice of the United States, the twenty-fourth day of January, in the year of our Lord one thousand nine hundred and forty-four.

Kenneth J. Carrick,
Clerk of the United States Circuit Court of Appeals for the Seventh Circuit.

Endorsed: Filed Jan. 25, 1944. Roy H. Johnson, Clerk.

5 UNITED STATES CIRCUIT COURT OF APPEALS

For the Seventh Circuit.

Taxed in favor of: .....

BILL OF COSTS.

In Cause No. 8320

Chicago Metallic Mfg. Co.,
Plaintiff-Appellant,
vs.
Edward Katzinger Company,
Defendant-Appellee.

	Cost of Each Item	
Docketing a case and filing the record.....	$ 5.00	5.00
Entering an appearance	.25	2.25
Transferring a case to the printed calendar	1.00	1.00
Entering a continuance	.25	____
Filing a motion, order, or other paper.....	.25	17.75
Entering any rule, or making or copying any record or any other paper, for each one hundred words	.20	____
Argument	.20	.20
Order	.20	.40
Entering a judgment or decree	1.00	1.00
Every search of the record of the court and certifying the same	1.00	____
Affixing a certificate and a seal to any paper	1.00	____
Receiving, keeping, and paying money, in pursuance of any statute or order of court, one per cent on the amount so received, kept, and paid	.....	____
Preparing the record for the printer, indexing the same, supervising the printing and distributing the copies, for each printed page of the record and index (provided that the charge for any single record and index shall not exceed five hundred dollars)	.15	____

Making a manuscript copy of the record, when required by the rules, for each one hundred words (but nothing in addition for supervising the printing)	.20	.....
Issuing a writ of error and accompanying papers, or a mandate or other process..	5.00	5.00
Filing briefs, for each party appearing....	5.00	15.00
Cost of printing record	.....	329.70
Cost of patent sheets for record.....	.....	.....
Copy of opinion of the Court.....	1.00	3.00
Attorney's docket fee	20.00	20.00

To be recovered by appellant from appellee—Total $400.30

7 And afterwards on, to wit, the 10th day of April, 1944 came the Parties by their attorneys and filed in the Clerk's office of said Court their certain Stipulation in words and figures following, to wit:

8 IN THE UNITED STATES DISTRICT COURT.

* * (Caption—2647) * *

STIPULATION.

It Is Hereby Stipulated by and between the parties:

I.

That the dictionary definition of the word "ormolu" may be accepted by the court as follows:

"A preparation of ground gold for gilding; hence, bronze or other metal so gilded. A variety of brass made to imitate gold in appearance, used in mounts for furniture, etc. The effect is often heightened by lacquer or acids. Called also mosaic gold."

II.

Brass and bronze metal containers are not employed in direct contact with goods undergoing baking in the baking industry.

III.

The letter from Banning and Banning dated February 21, 1941 with the lists A, B, C1 and C2, attached hereto, may be accepted as part of the record in this case.

Banning & Banning,
Attorneys for Petitioner.

Chritton, Wiles, Davies & Hirschl,
Attorneys for Respondent.

April 5, 1944.

9

Banning and Banning
Counselors at Law
One North LaSalle Street
Chicago

February 21, 1941.

Messrs. Mayer, Meyer, Austrian & Platt,
231 South LaSalle Street,
Chicago, Illinois.

For Mr. J. X. Schwartz.

Re: Bakerex Pans of
Chicago Metallic Mfg. Co.

Gentlemen:

Mr. Schrager of Edward Katzinger has asked that we give you a statement of sales of pans made by Chicago Metallic Mfg. Co. under its license agreement of October 1, 1937. This statement, in two lists, A and B, is herewith enclosed, and has been prepared in response to Mr. Schrager's request. With respect to these lists the following explanation is offered:

List A is complete for Bakerex pans between January 1, 1938 and December 31, 1939 by which time the manufacture thereof had been discontinued. This list is identical with other statements which have been previously furnished to Katzinger.

List B, covering the year 1940, includes such additional Bakerex pans as were disposed of from time to time during that year. Since there is a small total of $897.52 on which royalties are due, we enclose herewith our check (certified) payable to Edward Katzinger Company for

$22.44 in full payment of the two and one-half per cent royalty which is due thereon.

Gratuitously, but without any necessity for so doing, we hand you also a third list C which has to do with the Bake-King pans of Chicago Metallic Mfg. Co. These Bake-King pans have superseded the former Bakerex pans on which royalties were due and have now been paid in full. This list C is given you to indicate to what extent and over what period of time the Bake-King pans have been sold, taking the place of the Bakerex pans now discontinued in their entirety. In thus acquainting you with the details of the Bake-King pan business, we desire merely that you be informed generally as to the situation which you are interested in knowing about, but deny that there is any liability to Katzinger on account of such Bake-King pans.

Yours very truly,
Banning and Banning,
By Ephraim Banning.

EB:AG
Enc.

10 BAKEREX PANS

Sold Jan. 1, 1938 to Dec. 31, 1939

Month	#38A Dozen	#38A Amount	#38 Dozen	#38 Amount	5% Frt. All. Qr.	5% Cash Disc. Qr.	Total Net Qr.	8½ Royalty Paid Qr.
Jan. '38	3434	$2,452.58	476½	$417.15				
Feb. "	1855	1,347.47	691	545.11				
Mar. "	3776	2,878.63	669	522.31	$ 403.45	$163.26	$7,596.54	$ 27
Apr. "	1996	1,690.91	187	145.51				
May "	1683	1,124.44	225	167.37				
June "	831	595.17	141	100.74	190.77	76.48	3,556.89	17
July "	2609	1,872.50	226	185.76				
Aug. "	2522	1,804.01	142	111.98				
Sept. "	2304	1,660.20	100	80.07	285.70	114.28	5,314.54	26
Oct. "	3292½	2,489.92	138½	106.37				
Nov. "	3466	2,666.19	199	161.46				
Dec. "	1847	1,399.48	17	10.14	325.68	136.71	6,371.17	31
Jan. '39	2508½	1,717.39	281	222.80				
Feb. "	4008	2,919.09	191	148.60				
Mar. "	4420	3,307.70	133	112.57	421.41	168.56	7,838.18	39
Apr. "	3301	2,301.92	183	130.74				
May "	1805	1,219.36	56½	46.62				
June "	900	652.82	81	62.75	220.70	88.28	4,105.20	20
July "	3132	2,045.39	20½	20.19				
Aug. "	2651	1,887.04	130½	107.21				
Sept. "	312	187.35	149	135.20	219.01	87.64	4,075.73	21
Oct. "	1402½	685.95	56½	45.89				
Nov. "	112	69.93	13	10.11				
Dec. "	316	178.75	39	11.65	50.11	20.05	932.12	4
	54483½	39,154.29	4546	3,608.27	2,116.83	855.26	39,790.37	1,99
Less refund for last quarter of 2½%								2
								1,98

BAKEREX SALES 1-1-40 TO 1-1-41 List B

Bakerex Item	On Hand 1-1-40 Dozens	On Hand 1-1-41 Dozens	Sold in 1940 Dozens	Price per Dozen	Total
72	39		39	.60	$23.40
150	170	170			
130	140	132	8	.60	4.80
160	55	49	6	.78	4.68
245	90	65	25	.90	22.50
74	20	13	7	1.00	7.00
77	10		10	1.44	14.40
73	278		278	.76	211.28
110	180	48	132	.40	52.80
140	125	80	45	.78	35.10
2110	15	12	3	.40	1.20
2109	606	328	278	.36	100.08
1409-R	196	196			
1109-K	42		42	.40	16.80
2109-K	32	24	8	.56	4.48
1110-K	30	19	11	.54	5.94
1110	765	761	4	.34	1.36
2009-K	26		26	.54	14.04
1109	755	747	8	.29	2.32
2010-K	100	84	16	.78	9.28
218	3	3			
5008-T	62	49	13	.78	10.14
222	54	54			
206-S	94	50	44	.78	34.32
5008	484	481	3	.78	2.34
206-D	225	163	62	.78	48.36
212-S	57	37	20	1.50	30.00
408	10	10			
208-D	114	114			
212-D	29	29			
216	1		1	.78	.78
33	45	12	33	.78	25.74
103	36	36			
44	164	109	55	.78	42.90
22	350		350	.68	238.00
2010	108	108			
2009	5	5			
					964.04
				5% Freight	48.20
					915.84
				2% For Cash	18.32
					897.52

12 List C
(Sheet 1)

BAKE-KING SALES—July 1, 1939 to Jan. 1, 1941

Item	Dozens	Price Per Dozen	Total
11	5,127	$ .65	$ 3,332.50
22	11,054	.68	7,516.72
33	5,444	.78	4,246.32
44	5,871	.78	4,579.38
101	540	.65	351.00
102	762	.68	518.16
103	727	.78	567.06
110	2,907	.40	1,162.80
120	10,495	.60	6,297.00
130	4,527	.60	2,716.20
140	4,061	.78	3,167.58
150	411	.75	308.25
160	1,466	.78	1,143.48
225	2,708	.78	2,112.24
245	3,149	.90	2,834.10
72	3,879	.60	2,327.40
73	5,954	.76	4,525.04
74	9,408	1.00	9,408.00
77	8,844	1.44	12,735.36
77-T	88	1.44	126.72
78	28	.75	21.00
79	7	.60	4.20
100	17	.90	15.30
200	4	1.14	4.56
300	47	1.80	84.60
303	35	1.50	52.50
305	22	2.40	52.80
206-S	2,834	.78	2,210.52
208-S	2,196	1.04	2,283.84
212-S	1,144	1.50	1,716.00
206-D	2,075	.78	1,618.50
208-D	1,177	1.04	1,224.08
212-D	1,584	1.50	2,076.00
216	963	.78	751.14
218	446	1.04	463.84
222	430	1.50	645.00
406	3,749	.78	2,924.22
408	640	1.04	665.60
412	740	1.50	1,110.00
5006	95	.60	57.00
5008	2,767	.78	2,158.26
5008-T	437	.78	340.86
509	2,848	.38	1,082.24
1109-K	2,215	.40	886.00
1110-K	2,786	.54	1,504.44

13 List C

(Sheet 2)

BAKE-KING SALES—July 1, 1939 to Jan. 1, 1941

Item	Dozens	Price Per Dozen	Total
2008	12	$ .32	$ 3.84
2009	3,591	.34	1,220.94
2010	3,742	.38	1,421.96
2109	3,250	.36	1,170.00
2110	1,387	.40	554.80
2009-K	5,020	.54	271.08
2109-K	3,122	.56	1,748.32
2110-K	3,643	.60	2,185.80
1106	7,370	.17	1,252.90
2010-K	1,684	.58	976.72
1105	4,269	.16	683.04
1109	8,445	.29	2,449.05
1110	8,893	.34	3,023.62
	171,244		$ 110,889.88

14 And afterwards on, to wit, the 28th day of July, 1944 there was filed in the Clerk's office of said Court a certain Supplemental Memorandum—Finding and Conclusion of the Honorable William J. Campbell, District Judge in words and figures following, to wit:

15 IN THE UNITED STATES DISTRICT COURT.

* * (Caption—2647) * *

SUPPLEMENTAL MEMORANDUM—FINDING AND CONCLUSION.

Campbell, District Judge.

The question of estoppel as between the parties to this suit as heretofore decided by this Court having been removed by the decision of the Circuit Court of Appeals and the respondent having elected no longer to rely upon Design Patent No. 108,573, the only question now before this Court is the validity of Jackson Patent No. 2,077,757 when tested without the estoppel.

Considering the Jackson Patent on its merits and after a complete review of the prior art cited by the petitioner, I am of the opinion that Jackson Patent No. 2,077,757 is invalid as being fully disclosed in the prior art.

An appropriate decree so holding may be prepared by counsel for petitioner and submitted to the Court within twenty days from date hereof delivering copies thereof to counsel for respondent. Within twenty days of the receipt of such copies counsel for the respondent may prepare and file with the Court, in writing, his observations with reference thereto and suggestions for the modification thereof, delivering a copy of such observations and suggestions to counsel for the petitioner. Within ten days thereafter counsel for the petitioner may present to the Court, in writing, his reply to such observations and suggestions. Whereupon the matter of entering a decree herein will be taken by the Court without further argument.

Campbell,
Judge.

July 28, 1944.

16 And afterwards on, to wit, the 30th day of August, 1944 there was submitted in the Clerk's office of said Court a certain Findings of Fact and Conclusions of Law in words and figures following, to wit:

17 IN THE UNITED STATES DISTRICT COURT.

* * (Caption—2647) * *

FINDINGS OF FACT.

The findings of Fact heretofore entered are modified by cancelling Finding No. 17, and substituting therefor the following new Finding 17.

17. Jackson patent No. 2,077,757 is invalid over the prior art.

18 ## CONCLUSIONS OF LAW.

1. The Court has jurisdiction of the parties and of the subject matter of this suit.

2. The Petitioner has infringed patent No. 2,077,757 by making and selling its Bake-King tinware.

3. Said patent No. 2,077,757 is invalid over the prior art.

Enter

.....

Judge.

19 And on the same day, to wit, the 30th day of August, 1944 there was submitted filed in the Clerk's office of said Court a certain Final Decree in words and figures following, to wit:

20 IN THE UNITED STATES DISTRICT COURT.

* * (Caption 2647) * *

FINAL DECREE.

This cause having come on to be heard on the pleadings and proof and having been argued by counsel and duly considered by the Court, it is hereby decreed as follows:

1. That the Jackson patent No. 2,077,757 is invalid as to all of its claims.

2. Petitioner's Bake-King structure infringes said patent.

3. Defendant is entitled to an accounting during the period of its license for royalties under its license contract with Petitioner for articles made under the licensed patents, prior to the termination of the license on April 21, 1941, and this case is referred to Master ..... for the purpose of taking such an accounting.

.....

....., 1944.

21 And on the same day, to wit, the 30th day of August, 1944 there was submitted in the Clerk's office of said Court a certain Final Decree in words and figures following, to wit:

22 IN THE UNITED STATES DISTRICT COURT.

* * (Caption 2647) * *

FINAL DECREE.

This cause having come on to be heard on the pleadings and proof and having been argued by counsel and duly considered by the Court, it is hereby decreed as follows:

That Petitioner and Respondent are in Court without equity, and the petition and counterclaim are therefore dismissed as being without equity and without costs to either party.

.....

Judge.

....., 1944.

23 And afterwards, to wit, on the 27th day of September, 1944, being one of the days of the regular September term of said Court, in the record of proceedings thereof, in said entitled cause, before the Honorable William J. Campbell, District Judge, appears the following entry, to wit:

24 IN THE UNITED STATES DISTRICT COURT.

* * (Caption 2647) * *

FINDINGS OF FACT.

(1) The Edward Katzinger Company, Defendant, is a corporation organized and existing under the laws of the State of Illinois. The Plaintiff, Chicago Metallic Manufacturing Company, is a corporation organized and existing under the laws of the State of Illinois.

(2) The defendant owns full title in and to the following Letters Patent of the United States To Wit:

Patent	Date	Inventor
#2,077,757	April 20, 1937	Joseph G. Jackson
#D-108,140	January 25, 1938	Joseph G. Jackson
#D-108,141	January 25, 1938	Joseph G. Jackson
#D-108,573	February 22, 1938	Joseph G. Jackson

all relating to the embossure of baking pans.

(3) In each of the patents above listed, the embossure disclosed was applied in conformity to a regular recurrent geometric pattern and the claims of the respective patents were directed to tinware having a pattern of embossure in which regularity in the application of the embossed
25 pattern constituted the characteristic feature.

(4) Prior to April 22, 1937 the plaintiff was marketing a brand of tinware under the name of Bakerex having thereon an embossed pattern displaying regularity in the embossure, and on that date the defendant sent written notice to the plaintiff charging infringement in the manufacture and sale of such tinware. Thereafter, the parties entered into a license agreement dated October 31, 1937, modified as to the royalty rate on October 20, 1939, which agreement was lawfully terminated by plaintiff's notice in writing dated February 20, 1941 which termination became effective on April 20, 1941.

(5) Prior to the giving of such notice of termination, the plaintiff had ceased the manufacture and sale of the Bakerex type of tinware and had introduced to the trade a different type of tinware under the name—Bake-King—in which the embossure is irregular and not in conformity with any geometric pattern, which Bake-King tinware is the type whereof infringement is charged under the defendant's counter-claim.

(6) Prior to the filing of the petition for a declaratory decree, the defendant had demanded payment of royalties under the four patents previously listed on account of the manufacture and sale by plaintiff of its Bake-King tinware which royalties had been refused by the plaintiff, so that an actual controversy existed between the parties in
26 respect to all of the patents mentioned, and the answer filed by the defendant included a counter-claim charging infringement of all of such patents. But the defendant later confined its charges of infringement to mechanical patent #2,077,757 and design patent #D-108,573, and prior to the entry of the order of April 1, 1944, withdrew the charge of infringement under #D-108,573.

Campbell,
Sept. 27, 1944. *U.S.D.J.*

27 CONCLUSIONS OF LAW.

(1) The Jackson patent #2,077,757 is invalid and of no force or effect.

(2) The defendant's charges of infringement under design patent #D-108,573 were withdrawn, and the charges of infringement under #D-108,140 and #D-108,141 were abandoned, after issue respecting the validity and infringement of each of said design patents had been joined and the case was ready for trial, and the defendant is therefore estopped from hereafter asserting claim under said patents or any of them against plaintiff on account of the manufacture and sale of Bake-King tinware or any tinware displaying irregular embossing of the general character of said Bake-King tinware.

(3) The defendant, in correspondence prior to the filing of the petition for declaratory judgment, having asserted infringement of its design patents aforesaid as well as mechanical patent #2,077,757, and having reiterated said charges in its counter-claim, the plaintiff was justified in

including in its petition a prayer for the adjudication of questions of validity and infringement of said design patents and each of them.

(4) Plaintiff is entitled to costs.

(5) Plaintiff is entitled to a decree in accordance with the above conclusions.

Campbell,
Sept. 27, 1944. *U.S.D.J.*

28 And on the same day, to wit, on the 27th day of September, 1944, being one of the days of the regular September term of said Court, in the record of proceedings thereof, in said entitled cause, before the Honorable William J. Campbell, District Judge, appears the following entry, to wit:

29 IN THE UNITED STATES DISTRICT COURT.

* * (Caption 2643) * *

FINAL DECREE.

This cause coming on for trial and the parties having been represented by counsel and testimony having been adduced and duly considered and the court being fully advised in the premises, it is hereby decreed as follows:

(1) The decree of April 24, 1943, together with the Findings of Fact and Conclusions of Law entered as of that date, are hereby vacated, and the injunction is dissolved.

(2) Title to each of the following Letters Patent of the United States is in the defendant, Edward Katzinger Company, viz.

Jackson patent # 2,077,757, issued April 20, 1937
Jackson patent #D-108,753, issued February 22, 1938
Jackson patent #D-108,140, issued January 25, 1938
Jackson patent #D-108,141, issued January 25, 1938

(3) Patent #2,077,757 is invalid and of no force or effect.

(4) Defendant's charges of infringement of patent #2,077,757 under its counter-claim directed against Plaintiff's Bake-King tinware, are hereby dismissed for want of equity.

(5) The defendant's charges of infringement under the design patent #D-108,573 having been withdrawn after issue joined, and the charges of infringement under #D-108,140 and #D-108,141 having been abandoned after issue joined, and all of said charges, together with the charges under patent #2,077,757, being directed to the same transactions, all charges of infringement of said design patents are hereby dismissed with prejudice, and the defendant and its officers and agents are perpetually enjoined from making further threats of infringement against the plaintiff or any of its customers, or of asserting any rights or prosecuting any accounting under patent #2,077,757 or any of said design patents or other patents, if any, which might properly have been the subject of counter-claim, by reason of the manufacture and sale in the past or future of plaintiff's Bake-King tinware, or any embossed tinware of the same general character.

(6) It is further decreed that plaintiff recover from the defendant all costs including costs in the amount of $513.19 heretofore included in the two mandates in the Court of Appeals.

Campbell,
Judge.

Sep. 27, 1944.

31 And afterwards on, to wit, the 21st day of December, 1944 came the Respondent by his attorneys and filed in the Clerk's office of said Court his certain Notice of Appeal in words and figures following, to wit:

32 IN THE UNITED STATES DISTRICT COURT,

NORTHERN DISTRICT OF ILLINOIS,

EASTERN DIVISION.

Chicago Metallic Manufacturing Company,
Petitioner-Appellee,
vs.
Edward Katzinger Company,
Respondent-Appellant.
} Civil Action No. 2647.

NOTICE OF APPEAL.

Notice is hereby given that Edward Katzinger Company, respondent-appellant, now appeals to the United States Circuit Court of Appeals for the Seventh Circuit from the final decree entered on September 27, 1944, as to all points covered by said decree and in favor of the petitioner-appellee.

Chritton, Wiles, Davies & Hirschl,
Attorneys for Respondent-Appellant.

Charles J. Merriam,
Of Counsel.

(Attached hereto is the following certificate):

33 IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS,
EASTERN DIVISION.

CERTIFICATE OF MAILING.

I, Roy H. Johnson, Clerk of the United States District Court, for the Northern District of Illinois, Eastern Division, keeper of the Seal and Records of said Court, do hereby certify that on the 22nd day of December, 1944, in accordance with Rule 73 (b) of the Rules of Civil Procedure for District Courts of the United States, I did cause to be mailed a copy of the foregoing Notice of Appeal to the following attorneys of record:

Messrs. Banning & Banning
1 North La Salle Street
Chicago 2, Illinois

Roy H. Johnson,
(Seal) *Clerk.*

34 And on the same day, to-wit, the 16th day of January, 1945 came the Respondent-Appellant by his attorneys and filed in the Clerk's office of said Court his certain Statement of Points On Appeal in words and figures following, to-wit:

35 IN THE UNITED STATES DISTRICT COURT.
* * (Caption—2647) * *

STATEMENT OF POINTS ON APPEAL.

The following errors are assigned by Edward Katzinger Company, Respondent as a Statement of Points on which it intends to rely on said Appeal:

(1) The Court erred in holding Jackson Patent No. 2,077,757 invalid.

(2) The Court erred in perpetually enjoining Respondent from proceeding with the accounting suit pending in the State Court.

(3) The Court erred in assessing all costs against Respondent including the cost in the Mandates of the Circuit Court of Appeals.

(4) The Court erred in holding that in view of the art; No invention was involved in the subject matter of the Jackson Patent No. 2,077,757.

(5) The Court erred in not ordering an accounting during the period of the license for royalties under said license, for articles made under the licensed patents prior to the termination of the license on April 21, 1941.

36 (6) The Court erred in entering findings of fact and conclusions of law submitted by Petitioner.

(7) The Court erred in not entering findings of fact and conclusions of law submitted by Respondent.

(8) The Court erred in granting any relief to Petitioner in view of the unclean hands of Petitioner.

Chritton, Wiles, Davies & Hirschl,
Attorneys for Respondent-Appellant.

Service of the above Statement of Points acknowledged this 26 day of December, 1944.

Banning & Banning,
Attorneys for Petitioner-Appellee.

37 And on the same day, to-wit, the 21st day of December, 1944, there was filed in the Clerk's office of said Court a certain Appeal Bond in words and figures following, to-wit:

38 IN THE UNITED STATES DISTRICT COURT.

* * (Caption—2647) * *

#870514K APPEAL BOND.

Know All Men By These Presents: That Edward Katzinger Company, an Illinois corporation, of Chicago, Illinois, as principal, and American Surety Company of New York, as surety, are held and firmly bound unto Chicago Metallic Manufacturing Company, an Illinois corporation, of Chicago, Illinois, in the full and just sum of Two Hundred and Fifty Dollars ($250.00), to be paid to the said Chicago Metallic Manufacturing Company, its successors or assigns, to which payment well and truly to

be made, we bind ourselves, assigns, and successors, jointly and severally, firmly by these presents.

Sealed with our seals and dated this 12th day of December, A. D. 1944.

Whereas, lately, at a session of the District Court of the United States for the Northern District of Illinois, Eastern Division, in a suit pending in said Court between the petitioner, Chicago Metallic Manufacturing Company, and the respondent, Edward Katzinger Company, a final decree was entered against the said respondent, including an injunction and its counterclaim dismissed with prejudice, and the respondent, Edward Katzinger Company, is herewith filing its Notice of Appeal to the United States Circuit Court of Appeals for the Seventh Circuit:

39 Now, the condition of this obligation is such, that if the said respondent, Edward Katzinger Company, shall prosecute its said appeal to effect and shall answer all costs that may be awarded if it fails to make its appeal good, then this obligation to be void; otherwise to remain in full force and effect.

Edward Katzinger Company,
By Chritton, Wiles, Davies & Hirschl,
Its Attorneys.

(Seal)

American Surety Company of New York,
By B. H. Davenport,
Res. Vice-Pres.,

Attest: G. Hoffman,
Res. Asst. Secy.

40 And afterwards on, to-wit, the 16th day of January, 1945 came the Parties by their attorneys and filed in the Clerk's office of said Court their certain Stipulation in words and figures following, to-wit:

41 IN THE UNITED STATES DISTRICT COURT.

(Caption—2647)

STIPULATION.

It Is Hereby Stipulated By And Between The Parties:

I.

That the complete printed Record on Appeal in the above cause, in the United States Circuit Court of Appeals for the 7th circuit in case No. 8320 be made a part of the Record on Appeal, in this matter.

II.

That on February 11, 1944, counsel for both parties being in attendance before Judge Campbell, on a Motion by Petitioner to reinstate cause for proceedings in conformity with the Mandate of the Circuit Court of Appeals dated January 24, 1944 and to amend paragraph 11 of the Complaint to include after the patents therein listed, the following—No. 319, 306 June 2, 1885, Palmer—at Petitioner's Exhibit 12; that no stenographic minutes were taken of the proceedings on said Motion, but that the Court orally allowed said Motion.

Banning & Banning,
Attorneys for Petitioner.
Chritton, Wiles, Davies & Hirschl,
Attorneys for Respondent.

42 And on the same day, to-wit, on the 16th day of January, 1945, being one of the days of the regular December, 1944 term of said Court, in the record of proceedings thereof, in said entitled cause, before the Honorable William J. Campbell District Judge, appears the following entry to-wit:

43 IN THE UNITED STATES DISTRICT COURT.

* * (Caption—2647) * *

ORDER.

On Motion of Respondent, and both parties consenting thereto;

It Is Hereby Ordered that the Clerk of the District Court in the certification of the Record to the Court of Appeals may certify a copy of the printed transcript of Record in the United States Circuit Court of Appeals for the 7th Circuit in case No. 8320 as part of the Record in the District Court proceedings subsequent to the Mandate of January 24, 1944 of said Court of Appeals.

Enter Campbell,
Judge.

Jan. 16, 1945.
O. K.

Banning & Banning,
Attorneys for Petitioner,
Chritton, Wiles, Davies & Hirschl,
Attys for Respondent.

44 And afterwards, to-wit, on the 17th day of January, 1945, being one of the days of the regular December, 1944 term of said Court, in the record of proceedings thereof, in said entitled cause, before the Honorable William J. Campbell District Judge, appears the following entry, to-wit:

45 IN THE UNITED STATES DISTRICT COURT.
(Caption—2647)

ORDER.

This matter coming on to be heard on motion of Respondent and it appearing to the Court that Respondent submitted to the Court, on August 30, 1944, for filing herein proposed Findings of Fact and Conclusions of Law and alternative final decrees,

It Is Therefor Ordered that said proposed Findings of Fact and Conclusions of Law and alternative final decrees submitted by Respondent to the Court on August 30, 1944 be marked "submitted" as of that date and that the same may be included in the Record on Appeal.

Enter:

Campbell,
Judge.

Jan. 17. 1945.

46 And on, to-wit, the 16th day of January, 1945, came the Parties by their attorneys and filed in the Clerk's office of said Court their certain Stipulation As To Designation Of Contents Of Record On Appeal in words and figures following, to-wit:

47 IN THE UNITED STATES DISTRICT COURT.
(Caption—2647)

STIPULATION OF PARTIES AS TO DESIGNATION OF CONTENTS OF RECORD ON APPEAL.

It is stipulated between the parties by their respective counsel that the Contents of Record on Appeal, in this matter shall include:

1. Stipulation of the parties filed January 16, 1945 and Memorandum Order entered thereon.
2. The complete printed Record on Appeal in the above cause, in the United States Circuit Court of Appeals for the 7th Circuit in Case No. 8320.

3. The Mandate of the United States Circuit Court of Appeals for the 7th Circuit in Case No. 8320.
4. Agreed Order entered January 16, 1945.
5. Stipulation filed April 10, 1944 together with letter attached thereto from Banning and Banning, dated February 21, 1941, with lists A, B, C1 and C2 attached thereto.
48 6. Supplemental Memordanum—findings and conclusions entered July 28, 1944.
7. Respondent's proposed findings of fact and conclusions of law and final decree submitted by Respondent and filed August 30, 1944.
8. Final decree entered September 27, 1944.
9. Findings of fact and conclusions of law.
10. Notice of Appeal.
11. Appeal Bond.
12. This Stipulation as to Designation of Contents of Record on Appeal.
13. Respondent's Statement of Points on Appeal.

Chritton, Wiles, Davies & Hirschl,
Attorneys for Respondent-Appellant,
Banning & Banning,
Attorneys for Petitioner-Appellee.

49 Northern District of Illinois } ss:
Eastern Division }

I, Roy H. Johnson, Clerk of the District Court of the United States for the Northern District of Illinois, do hereby certify the above and foregoing to be a true and complete transcript of the proceedings had of record made in accordance with Stipulation filed in this Court in the cause entitled: *Chicago Metallic Manufacturing Company, Petitioner,* v. *Edward Katzinger Company, Respondent,* Civil Action No. 2647, as the same appear from the original records and files thereof now remaining in my custody and control.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at my office, in the City of Chicago, in said District, this 18th day of January, A. D. 1945.

Roy H. Johnson,
Clerk.

(Seal)

50 IN THE UNITED STATES CIRCUIT COURT OF APPEALS.

* * (Caption—8753) * *

STIPULATION.

It is hereby stipulated by and between the parties hereto by their respective counsel that the printed Record on Appeal in the above cause in this court in case No. 8320, embodied in the Transcript on Appeal in the current Appeal, be not printed but that copies of the former Record, in case No. 8320, may be made available to the court in the current Appeal on the hearing.

Banning & Banning,
Attorneys for Petitioner-Appellee,

Chritton, Wiles, Davies & Hirschl,
Attorneys for Respondent-Appellant.

Approved:
Sherman Minton,
Circuit Judge.

Feb. 22, 1945.

51 IN THE UNITED STATES CIRCUIT COURT OF APPEALS.

* * (Caption—8753) * *

STIPULATION.

(Filed Feb. 15, 1945, Kenneth J. Carrick, Clerk.)

UNITED STATES CIRCUIT COURT OF APPEALS,

For the Seventh Circuit.

I, Kenneth J. Carrick, Clerk of the United States Circuit Court of Appeals for the Seventh Circuit, do hereby certify that the foregoing printed pages contain a true copy of the printed transcript of record, printed under my supervision and filed on the twenty-third day of May, 1945, in:

Cause No. 8753.

Chicago Metallic Manufacturing Company,
Plaintiff-Appellee,

vs.

Edward Katzinger Company,
Defendant-Appellant,

as the same remains upon the files and records of the United States Circuit Court of Appeals for the Seventh Circuit.

In Testimony Whereof I hereunto subscribe my name and affix the seal of said United States Circuit Court of Appeals for the Seventh Circuit, at the City of Chicago, this 19th day of March, A. D. 1946.

(Seal)

(Signed) Kenneth J. Carrick,
Clerk of the United States Circuit Court of Appeals for the Seventh Circuit.

At a regular term of the United States Circuit Court of Appeals for the Seventh Circuit, held in the City of Chicago, and begun on the third day of October, in the year of our Lord one thousand nine hundred and forty-four and of our Independence, the one hundred and sixty-ninth.

Chicago Metallic Manufacturing Company, *Plaintiff-Appellee,* vs. Edward Katzinger Company, *Defendant-Appellant.*	Appeal from the District Court of the United States for the Northern District of Illinois Eastern Division.

8753

And, to wit: On the twenty-second day of February, 1945, the following further proceedings were had and entered of record, to-wit:

Thursday, February 22, 1945.

Court met pursuant to adjournment.

Before:

Hon. Shermin Minton, Circuit Judge.

Chicago Metallic Manufacturing Company, *Plaintiff-Appellee,* vs. Edward Katzinger Company, *Defendant-Appellant.*	Appeal from the District Court of the United States for the Northern District of Illinois Eastern Division.

8753

Pursuant to stipulation of counsel, it is ordered that the printed record in appeal No. 8320 embodied in the certified transcript of record be not printed in the printed record but that copies thereof be made available to the Court in the current appeal on the hearing.

And afterwards, to-wit: On the sixteenth day of November, 1945, the following further proceedings were had and entered of record, to-wit:

Friday, November 16, 1945.

Court met pursuant to adjournment.

Before:

Hon. William M. Sparks, Circuit Judge.
Hon. Otto Kerner, Circuit Judge.
Hon. Robert C. Baltzell, District Judge.

Chicago Metallic Manufacturing Company, *Plaintiff-Appellee,*	}	Appeal from the District Court of the United States for the Northern District of Illinois Eastern Division.
8753 *vs.*		
Edward Katzinger Company, *Defendant-Appellant.*		

Now this day come the parties by their counsel, and this cause comes on to be heard on the transcript of the record and the briefs of counsel, and on oral argument by Mr. Charles J. Merriam, counsel for appellant and Max W. Zabel, counsel for appellee, and the Court takes this matter under advisement.

And afterwards, to-wit: On the twenty-second day of January, 1946, there was filed in the office of the Clerk of this Court, the Opinion of the Court, which said opinion is in the words and figures following, to-wit:

IN THE UNITED STATES CIRCUIT COURT OF APPEALS,

For the Seventh Circuit.

No. 8753. OCTOBER TERM, 1945, JANUARY SESSION, 1946.

Chicago Metallic Manufacturing Company, *Plaintiff-Appellee,* *vs.* Edward Katzinger Company, *Defendant-Appellant.*	Appeal from the District Court of the United States for the Northern District of Illinois Eastern Division.

January 22, 1946.

Before SPARKS and KERNER, *Circuit Judges*, and BALTZELL, *District Judge.*

BALTZELL, *District Judge.* This appeal challenges the correctness of the decree of the district court in which the Jackson patent in suit, No. 2,077,757, was found to be invalid. The application was filed in the Patent Office on August 17, 1936, and the patent issued on April 20, 1937. The case has twice before been on appeal to this court. See 123 F. 2d 518; 139 F. 2d 291.

An action was begun in the district court by plaintiff-appellee, hereinafter referred to as appellee, in which it sought a declaratory judgment as to the validity and infringement of the aforementioned patent, together with other patents. Only this patent, however, is involved in this appeal. The defendant-appellant, hereinafter referred to as the appellant, filed in the district court a counterclaim in which it contended that the patent in suit was valid and infringed. It sought an injunction and an accounting. The patent was issued to Joseph G. Jackson, afterwards assigned to appellant and now owned by it.

Both appellee and appellant have long been engaged in the manufacture and sale of tin ware, especially baking

pans which are used by housewives, the surface of such pans being sometimes smooth. In January of 1936 appellant began the manufacture and sale of a line of baking pans designated as "Ovenex". Shortly thereafter, appellee introduced a new line of baking pans similar to those made by appellant and designated them as "Bakerex". Appellee was notified by appellant that it considered such merchandise as infringing its patent. On October 1, 1937, the parties entered into a license agreement whereby appellee was given the right to manufacture and sell such merchandise under its trade name of "Bakerex" and to pay a certain royalty to appellant under the license. Payment continued until some time in May or June of 1938 when appellee discontinued the manufacture and sale of "Bakerex" and introduced another line known as "Bake-King", the construction of which it contended differed from both "Ovenex" and "Bakerex" and was not included in the license agreement. It refused to make further payments under the license. This action was afterwards filed in the district court on February 21, 1941.

A decree was entered by the district court on April 24, 1943 in which it was held that the patent in suit, known as the Jackson patent, was valid as between appellee and appellant and infringed, and an accounting was ordered. The holding of validity was as between the parties only, and was based solely upon the ground of estoppel because of the license agreement heretofore referred to. An appeal was taken from this decree, and this court held on authority of the case of *Sola Electric Company* v. *Jefferson Electric Company*, 317 U. S. 173, 63 S. Ct. 172, 87 L. Ed. 165, that estoppel did not apply, owing to the fact that the license agreement contained a provision for price fixing, and the cause was remanded to the district court. *Chicago Metallic Manufacturing Company* v. *Edw. Katzinger Company*, 139 F. (2d) 291 (C. C. A. 7). Thereafter, on September 27, 1944, the district court entered a final decree wherein it held that the Jackson patent in suit was invalid and dismissed the counterclaim, which charged infringement, for want of equity. The question to be determined, therefore, is whether or not the Jackson patent, No. 2,077,757, is valid.

Baking pans are old in the art, and it is not otherwise contended by the parties. But, appellant asserts that

pans built in accordance with the patent in suit present a "pleasing and appealing appearance, will not be easily scarred or marked and will have increased strength and resistance to denting and warping * * *." Granting that this and other advantages set forth in the specifications of the patent are true, does the claimed structure rise to the dignity of invention? We think not. It may have required mechanical skill to design the article, but it is well known that "patentable novelty or invention calls for something more than the skill of the mechanic". *Chicago Steel Foundry Company* v. *Burnside Steel Foundry Company*, 132 F. (2d) 812 (C. C. A. 7).

It is stated by Jackson in his specifications that: "This invention relates to baking pans and the material from which they are made, whereby the pan will present a pleasing and appealing appearance, will not be easily scarred or marked, and will have increased strength and resistance to denting and warping. It also contemplates a pan wherein the grease, if any, used in baking will be evenly distributed over the inner surfaces of the pan and the pan surfaces in direct contact with the dough therein will be increased to improve the bake". The specifications also provide that: "Heretofore, in the manufacture of baking pans the material or metal used has generally had a plain, smooth, uninterrupted and generally a polished surface with the result that every defect in the material, all dents placed therein from one cause or another and all finger prints, smudges, and the like appeared thereon and often were emphasized. Therefore, the smooth, plain, polished surface of the pan walls in addition to being easily marred and dented, did not present a particularly attractive appearance on display, especially after the article has been frequently handled." Further, the inventor states, in substance, that the smooth, flat material warps easily and provides no means for an even distribution of the grease. The patent in suit does not change the shape of the pan or provide a new use for the same. It simply provides for a pan with alternate depressions and elevations on the surface which will remove all stress, strains and buckles, will conceal any defects and fingerprints, and will prevent warpage. It may also provide for an increased heating surface and a more uniform distribution of grease, because of the depressions and elevations. The

depressions and elevations may be rolled, pressed or otherwise made either before, during, or after the formation of the pan.

The claims of the patent may be summarized as follows: A sheet metal baking pan having a bottom stamped into alternate elevations and depressions aligned in at least two directions; a sheet metal baking pan having a plurality of relatively small, shallow depressions formed therein arranged in rows in at least two directions, said rows being separated one from the other by continuous, relatively low and narrow elevations; a sheet metal baking pan having a series of shallow, relatively small depressions formed in the bottom thereof and aligned in rows in at least two directions, said rows being separated one from the other by relatively low and narrow elevations, part of which are continuous and part interrupted by other elevations; a sheet metal baking pan having the material thereof stamped into alternate elevations and depressions aligned in at least two directions; a sheet metal baking pan having a series of alternately arranged relatively shallow depressions and elevations aligned in at least two directions; and a metal baking pan having a plurality of separated relatively shallow, small depressions in the bottoms and walls thereof. Under these claims it is apparent that it was intended that elevations and depressions should be separated by continuous, relatively low and narrow elevations and aligned in two directions. At least one of the purposes of the separation and alignment of the depressions and elevations was presumably to improve the appearance and to prevent the grease from passing from one depression to another in the oven or other support of the pan when in use if such oven or other support was uneven, and to more evenly distribute the grease. It will be observed that, considering the scope of the claims, this arrangement may be in the walls of the pan, as well as in the bottom. It is believed that the above description will suffice to advise one of the character and scope of the patent in suit.

Appellee has cted several patents and publications showing the state of the art prior to the asserted invention of the patent in suit. Long prior thereto baking pans were constructed of sheet metal, and both the bottoms and the sides were corrugated or embossed by elevations and de-

pressions. True, such elevations and depressions were not always entirely separated, and some were not aligned geometrically in two directions, as provided in the patent, but they were so constructed as to clearly suggest the subjectmatter of the Jackson patent. Patent No. 319,306 is entitled "Process of Making Sheet Metal Ware", the patent having issued to H. L. Palmer on June 2, 1885. This patent did not relate to pans used for baking, but did relate to the surface ornamentation of trays, waiters, plaques, card receivers, clock frames, etc. The finished product, however, contained elevations and depressions aligned in two directions.

The patent to Ball, No. 495,872, granted in 1893, discloses and claims a "bake pan provided with a series of independent pocket-forming elevations in its bottom".

Appellant admits in its brief, at page 12, that: "The American Nickeloid exhibit consists of sheet metal available on the market prior to Katzinger and embossed in a manner which might infringe the claims if the American Nickeloid sheets were made up into baking pans". It contends, however, that: "There was no suggestion in the art that the sheet metal be used for such purpose and the discovery that a baking pan could be made of sheet metal of this type is highly inventive". As heretofore observed, baking pans were old in the art, and there was no formula as to either the type or the kind of material from which they must be made. There was nothing to prevent a person of ordinary mechanical skill from using such sheets in the making of baking pans. Certainly, it would not require inventive genius to thus shape these sheets. The fact that the metal may have been designed for ornamental purposes would not deprive a person from using it for other purposes, such as baking pans.

Since we have arrived at the conclusion that the patent is invalid for lack of invention, no good purpose would be served in further discussion of the prior art.

The decree of the district court is AFFIRMED.

Endorsed: Filed January 22, 1946. Kenneth J. Carrick, Clerk.

And on the same day, to-wit: On the twenty-second day of January, 1946, the following further proceedings were had and entered of record, to-wit:

Tuesday, January, 22, 1946.

Court met pursuant to adjournment.

Before:

Hon. William M. Sparks, Circuit Judge.
Hon. Otto Kerner, Circuit Judge.
Hon. Robert C. Baltzell, District Judge.

Chicago Metallic Manufacturing Company, *Plaintiff-Appellee,*	}	Appeal from the District Court of the United States for the Northern District of Illinois Eastern Division.
8753 *vs.*		
Edward Katzinger Company, *Defendant-Appellant.*		

This cause came on to be heard on the transcript of the record from the District Court of the United States for the Northern District of Illinois, Eastern Division, and was argued by counsel.

On consideration whereof, it is ordered, adjudged and decreed by this Court that the decree of the said District Court in this cause appealed from be, and the same is hereby, affirmed, with costs.

And afterwards, to-wit: On the nineteenth day of February, 1946, the following further proceedings were had and entered of record, to-wit:

Tuesday, February 19, 1946.

Court met pursuant to adjournment.

Before:

Hon. Otto Kerner, Circuit Judge.

Chicago Metallic Manufacturing Company, *Plaintiff-Appellee,* vs. Edward Katzinger Company, *Defendant-Appellant.*	Appeal from the District Court of the United States for the Northern District of Illinois Eastern Division.

5753

On motion of counsel for appellant, it is ordered that the issuance of the mandate of this Court in this cause be, and the same is hereby, stayed for a period of ninety days from January 22, 1946, pending application for Writ of Certiorari in the Supreme Court of the United States.

And afterwards, to-wit: On the second day of March, 1946, there was filed in the office of the Clerk of this Court, a designation of record, which said designation is in the words and figures following, to-wit:

IN THE U. S. CIRCUIT COURT OF APPEALS,

For the Seventh Circuit.

Chicago Metallic Manufacturing Company,
Plaintiff-Appellee,
vs.
Edward Katzinger Company,
Defendant-Appellant.
No. 8753.

8753

DESIGNATION FOR TRANSCRIPT OF RECORD.

To the Clerk of the Above Court:

You are hereby requested to make a transcript of record to be filed in The Supreme Court of the United States pursuant to a Petition for a Writ of Certiorari to be filed in the above entitled cause, and to include in such transcript of record the following, and no other papers and exhibits, to-wit:

1. The printed transcript of record filed January 19, 1945.
2. The order of February 22, 1945 incorporating the record of the previous appeal, No. 8320.
3. Hearing on November 16, 1945.
4. The opinion and judgment of 22, January, 1946.
5. The order of February 19, 1946 staying the mandate.
6. This designation of record and service thereon.

Said transcript to be prepared as required by law, and the rules of this Court and the rules of the Supreme Court of the United States to be filed in the Office of the Clerk of the Supreme Court of the United States concurrently with said Petition for Writ of Certiorari.

Charles J. Merriam,
Stanley Hoods,
Counsel for Petitioner.

Service of the above designation accepted and acknowledged this 28th day of February, 1946.

Ephriam Banning,
Counsel for Respondent.

Endorsed: Filed March 2, 1946. Kenneth J. Carrick, Clerk.

UNITED STATES CIRCUIT COURT OF APPEALS,

For the Seventh Circuit.

I, Kenneth J. Carrick, Clerk of the United States Circuit Court of Appeals for the Seventh Circuit, do hereby certify that the foregoing printed pages contain a true copy of proceedings had and papers filed as called for by the designation of record, filed March 2, 1946, in:

Cause No. 8753.

Chicago Metallic Manufacturing Company,
Plaintiff-Appellee,

vs.

Edward Katzinger Company,
Defendant-Appellant,

as the same remains upon the files and records of the United States Circuit Court of Appeals for the Seventh Circuit.

In Testimony Whereof I hereunto subscribe my name and affix the seal of said United States Circuit Court of Appeals for the Seventh Circuit, at the City of Chicago, this 19th day of March, A. D. 1946.

(Seal) (Signed) Kenneth J. Carrick,
Clerk of the United States Circuit Court of Appeals for the Seventh Circuit.

SUPREME COURT OF THE UNITED STATES

ORDER ALLOWING CERTIORARI—Filed April 29, 1946

The petition herein for a writ of certiorari to the United States Circuit Court of Appeals for the Seventh Circuit is granted, and the case is assigned for argument immediately following No. 410.

And it is further ordered that the duly certified copy of the transcript of the proceedings below which accompanied the petition shall be treated as though filed in response to such writ.

Mr. Justice Jackson took no part in the consideration or decision of this application.

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Office - Supreme Court, U. S.
FILED
MAR 26 1946
CHARLES ELMORE CROPLEY

IN THE

Supreme Court of the United States

OCTOBER TERM, A. D. 1945.

No. ~~997-998~~ 70-71

EDWARD KATZINGER COMPANY,
Petitioner,

vs.

CHICAGO METALLIC MFG. COMPANY,
Respondent.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE SEVENTH CIRCUIT, AND BRIEF IN SUPPORT THEREOF.

CHARLES J. MERRIAM,
STANLEY HOODS,
Counsel for Petitioner.

THE BUNTHORP-WARREN PRINTING COMPANY, 315 WEST JACKSON, CHICAGO

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IN THE

Supreme Court of the United States

OCTOBER TERM, A. D. 1945.

No. .....

EDWARD KATZINGER COMPANY,
Petitioner,

vs.

CHICAGO METALLIC MFG. COMPANY,
Respondent.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE SEVENTH CIRCUIT, AND BRIEF IN SUPPORT THEREOF.

PETITION.

To the Honorable the Chief Justice and the Associate Justices of the Supreme Court of the United States:

Your petitioner, Edward Katzinger Company, respectfully prays for a Writ of Certiorari to the Circuit Court of Appeals for the Seventh Circuit to review a decree of that Court entered January 22, 1946 and an interlocutory decree of that Court of December 10, 1943. A transcript of the record in the case, including the proceedings in said Circuit Court of Appeals, is furnished herewith in accordance with Rule 38 of the rules of this Court.

SUMMARY AND SHORT STATEMENT OF THE MATTER INVOLVED.

We refer to petitioner as Katzinger and respondent as Metallic. The original action in the case was brought by Metallic for declaratory judgment as to validity and infringement of a number of patents, of which the only one now pertinent is Jackson 2,077,757, issued April 20, 1937. The patent relates to a baking pan in which baking surfaces are formed into a plurality of separate individual depressions which admittedly[1] greatly improve baking, and particularly prevent the grease or other shortening with which the pan is supplied during cooking from running to a low point in the pan and thereby causing scorching or over-cooking above the bare portions of the pan.

Prior to the Jackson invention, both Katzinger and Metallic were engaged in the manufacture of tinware for baking purposes. As is well known, this baking ware was of the familiar smooth shiny type. Katzinger brought out the Jackson structure in 1936 under the name Ovenex and promptly thereafter Metallic manufactured a substantially identical infringing line called Bakerex. When the Jackson patent issued, a notice of infringement was sent to Metallic which, after some negotiation, took a license under the patent. This license included the following paragraph:

(1) Record 142—Testimony of Debs (Witness for Metallic) Record, page 75-76 (of 8320).

"14. This contract shall remain in force for and during the life of the last expiring patent coming within the terms of this license unless sooner terminated by either party upon sixty days' written notice to the other party, provided, however, that Licensee may avail itself of this right to terminate only upon ceasing to manufacture, sell and distribute articles embodying or made in accordance with any of the licensed patents or applications, except as provided in paragraph 9 hereof. Should Licensee elect to terminate, as aforesaid, except as provided in paragraph 9 hereof, without ceasing to manufacture, sell or distribute said article, it shall be estopped from denying the validity of said patent or patents, or any of them, and be deemed an infringer thereof."[2]

Metallic continued to make structures and pay royalties for some time, but later became the manufacturer of slightly different pans called the Bake-King line, which it contended did not infringe, but which did infringe the Jackson patent.[3] When Katzinger demanded royalties on the new line, Metallic attempted to terminate the license under Article 14. Katzinger originally denied the right of Metallic so to terminate and, therefore, contested the right of Metallic to bring a declaratory judgment action. This issue was decided adversely to Katzinger by the Circuit Court of Appeals in its first opinion (123 Fed. (2d) 518). Thereafter it was admitted that the license was terminated. Katzinger insisted that Metallic's Bake-King line was an infringement of the patent and that Metallic

(2) Record 16 (of 8320).

(3) Finding of Fact—by District Court at first hearing. Rec. 143, 157 (of 8320).

thus came within the provisions of Article 14, particularly the last sentence thereof, in that it had terminated the agreement "without ceasing to manufacture, sell, or distribute said article" and was, therefore, in accordance with said article "estopped from denying the validity of said patent." The District Court found that the Bake-King line did infringe the Jackson patent[4] and that Metallic was estopped to deny the validity of the patent in accordance with the terms of the contract.

Metallic appealed from this decision, asserting that because the original contract contained a proviso (not enforced) requiring Metallic to sell its licensed articles at the same price as Katzinger, the decision of this court in *Sola* v. *Jefferson Electric*, applied, and Katzinger could not enforce the estoppel. Katzinger asserted the estoppel, alleging that the Sola case was inapplicable because the price fixing agreement had not been enforced and because it had ended before the estoppel arose. The Circuit Court of Appeals agreed with Metallic in its opinion of December 10, 1943, 139 Fed. (2d) 291, and held the estoppel could not be enforced. The Court of Appeals, therefore, sent the case back to the District Court for a determination of the validity of the patent free from the estoppel. The District Court on a new hearing found the patent invalid, 62 U.S.P.Q. 365, and the Circuit Court of Appeals affirmed this finding in its opinion of January 22, 1946. Inasmuch as the opinion of the Circuit Court of Appeals of December 10, 1943 was not a final order of the court, no Petition for Certiorari was filed at that time.

(4) See Footnote (3).

JURISDICTION.

The final decree below was entered on January 22, 1946 (rec. 31 of 8753). Jurisdiction is invoked under Section 240 (a) of the Judicial Code, 28 U. S. C. 347, as amended. Jurisdiction is specifically invoked because the Interlocutory Decree entered December 10, 1943, and the Final Decree of January 27, 1946, are in conflict with the decision of this Court in *Sola Electric Company* v. *Jefferson Electric Company*, 317 U. S. 173, and directly in conflict with the case of *MacGregor* v. *Westinghouse Electric Company*, 66 Sup. Ct. 527 decided by this Court on February 11, 1946, as Case No. 410.

On March 11, 1946, a rehearing was granted in the aforementioned MacGregor case. Both that case and the instant case involve the question of whether the validity of a patent may be attacked where the license agreement contained a price-fixing clause which was not enforced nor sought to be enforced. The advisability of a simultaneous consideration of that case and this one is suggested so that the decision of this Court in the Sola Electric case may be thoroughly clarified.

QUESTIONS INVOLVED.

1. Is the respondent, Metallic, estopped to deny validity of the Jackson Patent 2,077,757 as provided in Article 14 of the contract?

2. Does the decision of this Court in *Sola Electric* v. *Jefferson Electric* apply where the parties once had a price-fixing agreement which was terminated before an estoppel provision became effective?

3. Does the decision of this Court in the case of *Sola Electric* v. *Jefferson Electric* apply to invalidate an estoppel in a licensing agreement where no effort was made to enforce a pre-existing price-fixing provision, where the price-fixing agreement had been terminated by action of the parties, where the suit does not seek to enforce such provision, and where such provision could not be revived or enforced by Court order in the action?

REASONS RELIED ON FOR THE ALLOWANCE OF THE WRIT.

1. The Circuit Court has decided an important question of federal law in conflict with the decision of this Court in *Sola* v. *Jefferson Electric*, 317 U. S. 173, and with the decision of this Court affirming by an evenly divided court the decision of the Supreme Court of Pennsylvania in *Westinghouse Electric Co.* v. *MacGregor*. See 66 Sup. Ct. 527. The decision of the Supreme Court of Pennsylvania is reported in 350 Pa. 333, 38 Atl. (2d) 244.

The Sola Electric decision held that a price fixing agreement based upon the validity of the patent could not be enforced unless the patent was valid apart from the estoppel. The Westinghouse case found that this decision applied only where it was sought to enforce the price-fixing agreement and not where it was sought merely to enforce the patent. In the present case we do not seek to enforce a price-fixing agreement, and the decision of the court could not under any circumstances do so because, by the terms of the license, the price agreement had ended prior to the inception of the estoppel which Katzinger seeks to apply. The estoppel arose by its terms only after termination of the license and the price agreement.

WHEREFORE, petitioner respectfully prays that a Writ of Certiorari be issued out of and under the Seal of this Honorable Court, directed to the United States Circuit

Court of Appeals for the Seventh Circuit, directing said Court to certify and send to this Court a full transcript of the record and proceedings of said Circuit Court of Appeals in said cause, entitled *Edward Katzinger Company* v. *Chicago Metallic Manufacturing Company*, Docket No. 8753, together with the full record of the prior hearing in the same case, Docket No. 8320, so far, as may be, that said prior record is not included in the record of the subsequent hearing; that said cause be reviewed and determined by this Court; that the decision of said Circuit Court of Appeals be reversed by this Honorable Court; and that the petitioner may have such other relief as may appear appropriate.

CHARLES J. MERRIAM,
STANLEY HOODS,
Counsel for Petitioner.

IN THE

Supreme Court of the United States

OCTOBER TERM, A. D. 1945.

No. .....

EDWARD KATZINGER COMPANY,
Petitioner,

vs.

CHICAGO METALLIC MFG. COMPANY,
Respondent.

BRIEF IN SUPPORT OF PETITION.

I.

THE OPINIONS OF THE COURTS BELOW.

The pertinent opinions of the District Court of the United States for the Northern District of Illinois, Eastern Division, are reported respectively in 57 U.S.P.Q. 58, and 62 U.S.P.Q. 365, and appear on pages 143 (of 8320) and 11 (of 8753) of the record. The pertinent opinions of the United States Circuit Court of Appeals for the Seventh Circuit are reported in 139 Fed. (2d) 291 and 68 U.S.P.Q. 102, and appear on pages 207 and 31 of the record of 8320 and 8753 respectively.

II.

JURISDICTION.

See Petition for Writ of Certiorari (*supra*, page 5).

III.

STATEMENT OF THE CASE.

See Petition for Writ of Certiorari (*supra*, page 2).

IV.

SPECIFICATION OF ERROR.

1. The Circuit Court of Appeals for the Seventh Circuit erred in refusing to recognize the estoppel to deny validity of Jackson Patent 2,077,757, as provided in Article 14 of the contract.

2. The Circuit Court of Appeals erred in its interpretation of the decision of this court in *Sola* v. *Jefferson*.

3. The Circuit Court of Appeals' opinion is directly in conflict with the decision of the Supreme Court of Pennsylvania, and the affirming opinion of this court in *MacGregor v. Westinghouse Electric Co.*

V.

ARGUMENT.

Under Article 14 its license contract, (Rec., page 16 (of 8320)) with petitioner, Metallic agreed that if it should terminate the license without ceasing to make the patented article "it shall be estopped from denying the validity of said patent." Metallic did terminate the license without ceasing to manufacture the patented article.[5] It, therefore, clearly came under the estoppel.

The Circuit Court of Appeals, however, found the estoppel ineffective because at a date prior to the inception of the estoppel there was an agreement that licensee would sell its patented articles at the same price as the prices maintained by licensor (a perfectly legal agreement under *U. S.* v. *General Electric*, 272 U. S. 476, 47 Sup. Ct. 192, 71 L. Ed. 362).

This price arrangement was inserted in the license contract at the request of Metallic and was never enforced by Katzinger.[6] Furthermore, this price arrangement had automatically been terminated by Metallic when it terminated the license, so that when the estoppel of Article 14 arose, there was no agreement as to prices.

---

(5) Finding of Fact 12 on first hearing, Rec. page 155 (of 8320).

(6) Memorandum of the District Court at the first hearing, Rec. page 143 (of 8320).

Therefore, no attempt was made, nor could have been made, in the proceedings before the Circuit Court of Appeals to enforce a price-fixing agreement, nor was there any possibility of enforcing any such agreement at or after the date of the decision.

The Court of Appeals was erroneous in construing the decision of this court in *Sola* v. *Jefferson* as requiring it to disregard an affirmative estoppel merely because a price-fixing agreement had been in existence at a prior time.

As the Supreme Court of Pennsylvania said in *Westinghouse Electric* v. *MacGregor*, 350 Pa. 333, 38 Atl. (2d) 244:

> "In the instant case the court has not been requested either directly or indirectly to require MacGregor to maintain Westinghouse prices. By his own testimony he has not maintained them. The price-fixing clause is not in issue. It is raised merely as a defense to a suit for accounting and payment of accrued royalties. The legality, the enforceability of the price-fixing clause is a moot question. We therefore do not propose to declare the Jones patent invalid. Whether the price-fixing clause in the license is legal or invalid is not before this Court. It is our judgment that the decision of the Sola case does not control or determine the instant case.
>
> "* * * In the instant case the plaintiff is not attempting to enjoin the defendant from selling the products he is licensed to sell, at prices less than those charged by the licensor. To grant the relief prayed for here does not result in anything which is inter-

dicted by the Federal Anti-Trust laws. Therefore, the decision in the Sola case, *supra*, does not govern the decision of any issue raised in this case."

(Affirmed by this court February 11, 1946, Case No. 410, without opinion.)

The present case is precisely within this decision. Not only was no attempt made to enforce any price-fixing arrangement (see Memorandum of District Court at the first hearing, Rec. 143), but the price-fixing agreement had been terminated by termination of the license agreement itself. Therefore, a decision by the Court finding the patent valid because of the estoppel would not in any way restrain, delay or "result in anything which is interdicted by the Federal Anti-Trust laws."

The conflict between the decision of the Circuit Court of Appeals and the decision of this Court in the MacGregor case is perhaps most clearly shown by the fact that the Petition for Certiorari in the MacGregor case was based in large part upon a conflict between the decision of the Seventh Circuit Court of Appeals in *Chicago Metallic* v. *Katzinger* and the opinion of the Supreme Court of Pennsylvania in the MacGregor case. Similarly the brief for the petitioner in the MacGregor case bases its second point on the conflict between the Chicago Metallic decision and the MacGregor decision.

Respectfully submitted,

CHARLES J. MERRIAM,

STANLEY HOODS,

Counsel for Petitioner.

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CHARLES ELMORE CROPLEY

IN THE

Supreme Court of the United States

OCTOBER TERM, A. D. 1945.

Nos. ~~997~~ ~~998~~ 70-71

EDWARD KATZINGER COMPANY,
Petitioner,

vs.

CHICAGO METALLIC MFG. COMPANY,
Respondent.

ANSWER OF PETITIONER TO RESPONDENT'S REPLY TO PETITION FOR CERTIORARI.

CHARLES J. MERRIAM,
STANLEY HOODS,
Counsel for Petitioner.

THE GUNTHORP-WARREN PRINTING COMPANY, 310 WEST JACKSON, CHICAGO

IN THE

Supreme Court of the United States

No. 997,
998.

EDWARD KATZINGER COMPANY,
Petitioner,

vs.

CHICAGO METALLIC MFG. COMPANY,
Respondent.

ANSWER OF PETITIONER TO RESPONDENT'S REPLY TO PETITION FOR CERTIORARI.

To the Honorable the Chief Justice and the Associate Justices of the Supreme Court of the United States:

Respondent's reply misstates a number of facts.

(1) The respondent repeatedly asserts that the District Court and the Circuit Court of Appeals in their final decisions found that respondent's Bake-King tinware would not infringe patent 2,077,757 if that patent were valid. This is not a fact.

The District Court found respondent's Bake-King tinware did infringe petitioner's patent, as shown by the opinion of the District Court, and by its finding of fact and conclusions of law (see record pp. 143-144, 156, and 157).

On the last hearing the District Court found the patent invalid and therefore did not consider the question of in-

fringement. On appeal the Court of Appeals did not pass upon the question of infringement, but found the patent invalid.

The decree of course found that the charge of infringement had to be dismissed because of invalidity of the patent, but it did not reopen the question of infringement which it had already found to exist assuming that the patent was valid. The dismissal of a charge of infringement because the patent is invalid is not a finding of non-infringement.

As the record now stands, if this court holds petitioner entitled to the estoppel asserted, petitioner should be entitled to a decree, although it is true that the Court of Appeals has never passed upon the question of infringement, and that matter might be open in the Court of Appeals if this court does not choose to pass upon it.

(2) Respondent states on pages 2 and 5 of its reply that the record shows the price restrictions of the contract were in force for about two years.

On the contrary the opinion of the Lower Court (Rec. 143) found:

> "In this case no price fixing by the respondent has been proved by the petitioner. The evidence shows that the clause to which petitioner refers in its argument was inserted in the contract at the request of the petitioner. At no time did the respondent attempt to carry it out and the respondent was at all times willing to have same removed from the contract."

It should be borne in mind that the parties were reversed at the time of that hearing and the present petitioner was then respondent.

(3) On page 2, paragraph b, respondent states that non-smooth baking ware was not new with Jackson and cites three patents as showing this. None of the three

patents cited refers to baking ware. The first two patents are design patents relating to trays, specifically serving trays. The third patent, Palmer, is a mechanical patent relating to a pin tray. The first two patents were admitted by respondent in its brief before the Circuit Court of Appeals not to show non-smooth ware. We quote from pp. 21 to 22 of respondent's brief:

> "It is quite true that the Examiner allowed the claims over such references as the Wojidkow design patent (R. 178) and the Ledig design patent (R. 175), but in neither of these illustrations does it necessarily appear that the shade lines represent elevations and depressions. They may be no more than surface ornamentation."

(4) Respondent states that the Palmer patent was omitted from the Circuit Court of Appeals record, and from the record here. The Palmer patent was omitted from the printed Court of Appeals record by inadvertence of both parties. It is present before the Circuit Court of Appeals as a physical exhibit pursuant to stipulation, and is available in the event that Certiorari is granted.

Respectfully submitted,

CHARLES J. MERRIAM,
STANLEY HOODS,
Counsel for Petitioner.

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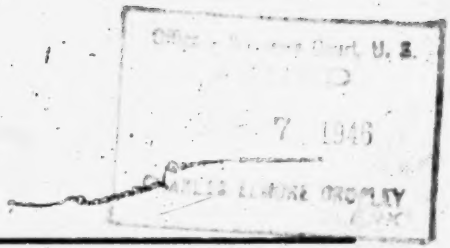

IN THE

Supreme Court of the United States

OCTOBER TERM, A. D. 1946.

Nos. 997, 998.

EDWARD KATZINGER COMPANY,
Petitioner,

vs.

CHICAGO METALLIC MFG. COMPANY;
Respondent.

PETITIONER'S BRIEF.

CHARLES J. MERRIAM,
STANLEY HOODS,
Counsel for Petitioner.

THE BLAKELY-WARREN PRINTING COMPANY, 310 WEST JACKSON, CHICAGO

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IN THE

Supreme Court of the United States

OCTOBER TERM, A. D. 1946.

Nos. 997,
998.

EDWARD KATZINGER COMPANY,
Petitioner,

vs.

CHICAGO METALLIC MFG. COMPANY,
Respondent.

PETITIONER'S BRIEF.

I.

THE OPINIONS OF THE COURTS BELOW.

The pertinent opinions of the Circuit Court of Appeals of the Seventh Circuit were reported in 139 F. 2d 291 and 153 F. 2d 149. They appear at page 207 in R. 997 and page 31 of R. 998, respectively.

II.

JURISDICTION.

The final decree below was entered on January 22, 1946 (R. 998, p. 31). Jurisdiction is invoked under Section 240 (a) of the Judicial Code, 28 U. S. C. 347, as amended.

Jurisdiction is specifically invoked because the Interlocutory Decree entered December 10, 1943, and the Final Decree of January 22, 1946, are in conflict with the decision of this Court in *Sola Electric Company* v. *Jefferson Electric Company*, 317 U. S. 173, and directly in conflict with the case of *MacGregor* v. *Westinghouse Electric Company*, 66 Sup. Ct. 527 decided by this Court on February 11, 1946, as Case No. 410.

III.

STATEMENT OF CASE.

We shall refer throughout to the Petitioner as Katzinger and to the Respondent as Metallic.

The present case was brought by Metallic for declaratory judgment as to the validity and infringement of a number of patents, the only one now pertinent being Jackson 2,077,757. The Jackson Patent (R. 997, p. 165) relates to a baking pan in which baking surfaces are formed into a plurality of separate individual depressions which admittedly[1] greatly improve baking and, particularly, prevent the protective coating of grease or other shortening with which the pan is supplied, from running to the low points in the pan, with resulting scorching or over-heating in those areas from which the grease has escaped. The depressions are uniformly distributed in all directions, closely spaced, and small, and, therefore, do not require the use of more shortening, do not interfere with cleaning, strengthen the pan, provide better heat transfer, and make better baked goods.[1]

Prior to the Jackson invention, both Katzinger and Metallic were engaged in the manufacture of tinware for baking purposes. This bakeware was of the familiar smooth, shiny type. In 1936, Katzinger brought out a line of bakeware under the Jackson patent, using the name

1. R. 997, p. 142 and pp. 75 and 76.

"Ovenex". This was promptly copied by Metallic who put out an almost identical line under the name "Bakerex." As soon as the Jackson patent issued in 1937, a notice of infringement was sent to Metallic. Metallic, after some negotiation, took a license under the patent. The license included the following paragraph:

> "14. This contract shall remain in force for and during the life of the last expiring patent coming within the terms of this license unless sooner terminated by either party upon sixty days' written notice to the other party, provided, however, that Licensee may avail itself of this right to terminate only upon ceasing to manufacture, sell or distribute articles embodying or made in accordance with any of the licensed patents or applications • • •. Should Licensee elect to terminate, as aforesaid • • • without ceasing to manufacture, sell or distribute said article, it shall be estopped from denying the validity of said patent or patents, or any of them, and be deemed an infringer thereof."[2]

At the request of Metallic[3] the license also included the following paragraph with respect to prices:

> "11. Licensor reserves the right to establish a minimum sales price for the articles or products which Licensee is licensed to manufacture hereunder and to modify or change such minimum prices from time to time during the life of this agreement. The Licensor, as well as Licensee and any other person, persons, or corporation licensed by Licensor, shall not, with the consent of Licensor, sell or offer for sale, or other-

2. R. 997, p. 16.
3. R. 997, p. 143.

wise dispose of any of the licensed devices or products below said minimum sales price, or on more favorable terms of sale than those set forth in any such scale of prices so established by Licensor. Contemporaneously with the execution and delivery of this license agreement, Licensee has received from Licensor a schedule of minimum prices, effective as of the date hereof, below which none of the products or devices made under this license shall be sold. Licensor reserves the right, upon thirty (30) days' notice in writing given by Licensor to Licensee, to change said minimum prices from time to time during the life hereof. On such articles or devices made and sold by Licensee as to which Licensor shall have failed or neglected to establish a minimum sales price, the royalty shall likewise be computed on the net sales price received by Licensee from its customers. Licensee or its duly authorized representatives shall have access from time to time to the books of account of Licensor during ordinary business hours for the purpose of determining whether or not Licensor has complied with the provisions of this paragraph."[4]

Metallic continued to make its Bakerex structures for some time and paid royalties thereon. No attempt was made during this time to enforce the price fixing provisions of Article 11 and petitioner was always willing to have that clause removed from the contract.[5]

In 1939 Metallic began the manufacture of slightly different pans under the name of "Bake-King." The Ovenex structure of Katzinger and the Bakerex structure of

4. R. 997, p. 15.
5. R. 997, p. 143.

Metallic were made as illustrated in the Jackson patent by passing thin sheets of metal through rolls which formed a series of parallel spaced depressions formed in rows running in two directions on the plate. In making the Bake-King line, Metallic used the identical pattern on the rolls but instead of passing the metal sheets through the rolls once, passed them through a number of times, generally from three to six.[6] Inasmuch as the impressions on the rollers were bi-laterally symmetrical, this did not destroy regularity of distribution, but merely deformed the shape of the depressions. Each passage through the rolls simply added an additional Jackson arrangement. The pans still had regular rows of depressions regularly arranged in at least two directions, and were claimed by Metallic to have the same advantages over the smooth pans that were set forth in the Jackson patent.[7] The change in practice was no more significant than the change of the name from Bake*rex* to Bake-*King*. Metallic contended that the Bake-King ware did not infringe the Jackson patent, but it did in fact infringe it.[8]

Katzinger demanded royalties for the Bake-King articles, and in response to this demand, Metallic gave notice of termination of the license under article 14. Katzinger brought a state court action for royalties, after which Metallic filed this action for declaratory judgment. Katzinger originally contended that Metallic had no right

6. R. 997, p. 156, Finding 14.
7. R. 997, p. 142.
8. R. 997, pp. 143 and 156.

so to terminate the license and, therefore, contested the right of Metallic to bring a declaratory judgment action. This issue was decided adversely to Katzinger by the Circuit Court of Appeals in an opinion reported in 123 F. 2d 518. Katzinger thereafter conceded that the license had been terminated.

In the District Court, Katzinger insisted that the Bake-King line was an infringement of the Jackson patent and that Metallic thus came within the provisions of article 14 of the contract and particularly the last sentence thereof, in that it had terminated the agreement "without ceasing to manufacture, sell or distribute said article." It, therefore, contended that Metallic was by the language of said article "estopped from denying the validity of said patent." The District Court found that the Bake-King ware did infringe the Jackson patent,[8] and, therefore, found that Metallic was estopped to deny the validity of that patent in accordance with the terms of the contract.

Neither the complaint seeking declaratory relief nor the answering counterclaim sought any relief under, or enforcement of, the price fixing clause 11 of the contract. The case as presented to the District Court involved a concession by both parties that clause 11 had passed out of existence prior to the institution of the action.[9] For this, and other reasons, the District Court found the

8. R. 997, pp. 143 and 156.
9. R. 997, p. 30.

decision of this court in the case of *Sola Electric Company* v. *Jefferson Electric Company* inapplicable, saying:

> "It is the opinion of the Court that the petitioner is estopped from questioning the validity of the two patents relied upon by the respondent herein. The decision of the Supreme Court in the case of *Sola Electric Company* v. *Jefferson Electric Company* so strongly urged by the petitioner as being applicable to this case, I feel is not in point. In this case no price fixing by the respondent has been proved by the petitioner. The evidence shows that the clause to which petitioner refers in its argument was inserted in the contract at the request of the petitioner. At no time did the respondent attempt to carry it out and the respondent was at all times willing to have same removed from the contract. For these and other reasons apparent upon a reading of the Supreme Court's opinion, I feel that the decision in the *Sola Electric Company* case is not controlling here."[10]

(It should be noted that the Petitioner here was the respondent below.)

Metallic appealed from this decision and, in its decision of December 10, 1943, the Circuit Court of Appeals found that the *Sola* case was applicable, even though the price fixing arrangement had terminated prior to the institution of the action and was not in issue, and Katzinger had never sought to enforce it; the court saying in part:

> "By the plain provisions of the license agreement, there were arrangements for price-fixing. This was not a separable provision of the agreement and it

10. R. 997, p. 143.

was, like the rest of the agreement, based upon a common consideration and was a part of the contract after notice of determination, though *functus officio* as to the future. The agreement was not purged of the deleterious effect of the price-fixing arrangement by notice of termination. The vice lay in its incorporation in the contract at all. A contract containing price-fixing provisions which do not have the protection of a lawfully granted patent monopoly is invalid, being a violation of the Sherman Act, and no recovery may be had upon it. *Continental Wall Paper Co.* v. *Voight & Sons Co.*, 212 U. S. 227, 29 S. Ct. 280, 53 L. Ed. 486. Therefore, since the validity of the entire contract depends upon the validity of the patent, it is clear that no estoppel arising out of the contract can prevent an examination of the patent's validity."[11]

Having found that there was no estoppel to deny validity, the Court of Appeals remanded the case to the District Court for free determination of validity of the Jackson patent. On a new hearing the District Court found the patent invalid and enjoined Katzinger from prosecuting its state court case for recovery of royalties. The Circuit Court of Appeals affirmed this finding, in its decision of January 22, 1946 (153 F. 2d 149). The decision of the Circuit Court of Appeals rendered December 10, 1943 was not a final order and, therefore, was not appealable until after the rendition of the decision of January 22, 1946. A petition for certiorari was filed in due course after that decision and was granted on April 29, 1946.

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11. R. 997 p. 210.

IV.

SPECIFICATION OF ASSIGNED ERRORS.

1. The Circuit Court of Appeals for the Seventh Circuit erred in refusing to recognize the estoppel to deny validity of Jackson patent 2,077,757, as provided in Article 14 of the contract and in therefore finding said Jackson patent invalid.

2. The Circuit Court of Appeals erred in its interpretation of the decision of this court in *Sola* v. *Jefferson*.

3. The Circuit Court of Appeals' opinion is directly in conflict with the decision of the Supreme Court of Pennsylvania in the case of *MacGregor* v. *Westinghouse Electric Co.* (350 Pa. 333, 38 Atl. 2d 244), and the affirming opinion of this court (66 Sup. Ct. 527).

V.

ARGUMENT.

The present case is one where all of the equities are on the side of Katzinger. Metallic deliberately copied the structure of the Jackson patent from Katzinger. It even adopted a similar name. When threatened with suit, it chose not to defend against the patent but asked for a license.[12] At that time Metallic was told by Katzinger[13] that it would issue no licenses until the question of validity was settled for all time to come—that Katzinger would rather litigate then than make contracts and litigate later. Because of this fact the estoppel clause 14 was added.

Metallic asked for a price fixing agreement[13] and a clause relating to prices was inserted, but never enforced.[15]

Metallic, after paying royalties for a time, made a palpable attempt at evasion of infringement, even though it continued to advertise that its new product had all of the advantages of the Jackson patent.[16] When suit for royalties was brought in the state court by Katzinger, Metallic brought this action in the Federal court to enjoin prosecution of the state court suit. That relief has been granted, on the theory that the estoppel clause is invalid because

12. R. 997, p. 53.
13. R. 997, p. 55.
14. R. 997, p. 143.
15. R. 997, p. 143.
16. R. 997, p. 142.

of illegality although Katzinger never sought to enforce the price fixing, did not seek to do so in this action, and never can enforce it.

The facts in the present case are clear and present an entirely different picture from those present either in the *Sola* case (317 U. S. 173) or in the *MacGregor* case which is being argued herewith.

In the *Sola* case, action was brought by the patentee solely on the license contract and the complaint included a specific request for an injunction to enforce a price fixing arrangement under the contract. As this court there said, the question submitted was:

> "Whether a patent licensee, by virtue of his license agreement, is estopped to challenge a price fixing clause in the agreement by showing that the patent is invalid, and that the price restriction is accordingly unlawful because not protected by the patent monopoly."

In the present case each of the following facts distinguishes from the *Sola* case:

1. The present complaint was filed by the licensee, and the relief granted by the courts below was to the licensee.
2. Katzinger, as patent owner, does not and could not seek enforcement of the price fixing agreement.
3. The price fixing agreement in the present case had terminated by the terms of the contract before any action was brought by either party.
4. The price fixing agreement in the present case was found by the courts below not to have been enforced by Katzinger.

5. The estoppel was never concurrent with a price fixing arrangement. The estoppel did not and could not come into being until the price fixing arrangement had terminated.

6. There was nothing in the contract here which *required* a violation of the Sherman Act, since it could have been carried out entirely intrastate. Yet the Court of Appeals found it invalid in its inception.

In the *Sola* case it was decided that an enforcement of the Sherman Act would not result in interference with local law. In the present case, the Circuit Court of Appeals went much further and held that an Illinois contract between two Illinois citizens was invalid in its inception and tainted throughout with illegality because a minor portion of it *might*, in the past, have resulted in a restraint of trade, illegal under federal law. A price fixing arrangement under a patent is not *per se* illegal and has not been so held by this court. It is obviously not illegal if the patent is valid. The Circuit Court of Appeals in our case found the said contract invalid *in toto* because of the possibility of invalidity of one part of it, which had passed from existence before the part sought to be sustained had come into effect.

There is no question that the decision in the *Sola* case does not apply to the present facts. As this court said in that case:

"Local rules of estoppel which would fasten upon the public as well as the petitioner the burden of an agreement in violation of the Sherman Act must yield to the Act's declaration that such agreements are

unlawful, and to the public policy of the Act which in the public interest precludes the enforcement of such unlawful agreements."[17]

Katzinger is not here asking, and never has sought, that a price fixing agreement be fastened upon the public or any member of it. Katzinger is not in a position to do so if it wished, because the price fixing agreement terminated before the estoppel here asserted came into being.

The question, therefore, is whether the Circuit Court of Appeals of the Seventh Circuit was correct in extending the doctrine of the *Sola* case beyond either the decision of this court, or any implication thereof. The decision of the Seventh Circuit Court of Appeals in effect holds that any price fixing agreement is evil *per se* and so affects any contract as to render it invalid, not only in the part concerning the price fixing agreement, but in all other parts. It is strange that a court which would proceed so far should overlook the fact that it actually awarded equitable relief to the party who had requested and insisted upon the inclusion of a price fixing clause.

It seems to us that what was sought to be accomplished in the *Sola* decision was a very simple and correct thing. A price fixing agreement affecting interstate commerce is contrary to law under normal conditions. It may be justified under a valid patent. All this court held in the *Sola* case was that a price fixing agreement could not be elevated to validity by an agreement between the parties that a pat-

17. 317 U. S. 173 at p. 177.

ent was valid. In considering any price fixing agreement, the court's hands cannot be tied by agreement of the parties, to prevent the court from determining whether a patent exists. In effect, this court held that a contract agreeing to recognize the validity of a patent would be no more the basis for upholding a price fixing agreement than would a private agreement that a patent existed, when in effect there was no patent even purporting to cover the product. For example, this court obviously would not permit a price fixing agreement on ordinary gasoline to be upheld merely because the makers of the gasoline agreed that Patent No. X covered the unpatentable gasoline. The *Sola* case merely carried this point to a logical conclusion in finding that a court could not be prevented from inquiring into the validity of a patent which was the basis for such an agreement, merely because the Patent Office had issued it and it purported to cover the product.

This court did not hold anything more than we have just suggested. There is no complementary reason to refuse to recognize an estoppel to deny validity. A recognition of that estoppel would bring about no harmful result. The estoppel is normally implied as a matter of law. A price fixing agreement tied to what is presumptively a valid patent must presumptively be valid. We cannot see how it could be said to taint a contract containing it with such illegality as to make everything in it illegal, even when the price fixing agreement has passed from existence and was

never sought to be asserted by the party against whom the alleged illegality is invoked.

In the present case, of course, the price fixing clause was plainly meant to be severable. The fact that it was not enforced clearly shows that neither party considered it part of the real consideration for the license. Under the circumstances, even if it was illegal, the remainder of the contract would be valid (*Gelpke* v. *Dubuque*, 1 Wall. 222). See also Restatement of the Law of Contracts, Section 518.

The contract in this case was between two Illinois citizens with their places of business in Illinois. The contract was, therefore, governed by Illinois law. There is nothing in the original contract which was necessarily violative of the federal anti-trust laws. If Katzinger and Metallic had confined their business to Illinois, (and the Court made no finding to the contrary), the original price fixing agreement could not violate any federal statute. The decision of the Circuit Court of Appeals that the contract was tainted from its inception with illegality under the Sherman Act was, therefore, obviously and wholly erroneous. We cannot understand how any illegality ever affected it. The contract was not tainted with illegality in the beginning. The finding of the District Court was that the price fixing arrangement had never been enforced. When then, did the contract become tainted? It was not initially tainted and there was no time when it became tainted in fact. Long before the suit started, and

before the estoppel asserted here arose, the price fixing agreement had been eliminated by the terms of the agreement itself. But, even if there had been a period when price fixing was enforced, and even if price fixing related to the entire contract, the illegality, if any, does not taint the entire contract but could only affect that part of it relating to interstate commerce.

In *Westinghouse Electric Co.* v. *MacGregor*, 350 Pa. 333, Westinghouse had brought suit in the State Court for accrued royalties. MacGregor asserted that it had the right to attack the validity of the patent under which the license had been granted because the licensing agreement contained a price-fixing clause (even though it had never been enforced). The Supreme Court of Pennsylvania in holding against MacGregor's contention stated at page 339:

> "If the Sola case is to be given by the courts the sweeping interpretation the defendant gives it, the validity of every patent in the land would under circumstances akin to those we have here, be subject to collateral attack in any court. The court below aptly said: 'In the instant case, the court has not been requested either directly or indirectly to require MacGregor to maintain Westinghouse prices. By his own testimony he has not maintained them. The price-fixing clause is not in issue. It is raised merely as a defense to a suit for accounting and payment of accrued royalties. The legality, the enforceability of the price-fixing clause is a moot question. We, therefore, do not propose to declare the Jones patent invalid. Whether the price-fixing clause in the license is legal

or invalid is not before this Court. It is our judgment that the decision of the Sola case does not control or determine the instant case.' "

The Court further stated at page 340:

"In the instant case the plaintiff is not attempting to enjoin the defendant from selling the products he is licensed to sell, at prices less than those charged by the licensor. To grant the relief prayed for here does not result in anything which is interdicted by the Federal Anti-Trust laws. Therefore, the decision in the Sola case, *supra*, does not govern the decision of any issue raised in this case."

As in the *MacGregor* case, the present suit does not seek directly or indirectly to require the maintenance of fixed prices. In neither case had fixed prices been maintained. The legality or enforcibility of the price fixing clause is here moot. In the *MacGregor* case price fixing could be asserted in the future, but in the present case there is no possibility of it.

VI.

VALIDITY OF THE JACKSON PATENT.

The District Court and the Court of Appeals found the patent invalid aside from the estoppel. The District Court did not write a memorandum as to its reasons.

The Court of Appeals found the patent invalid over substantially identical sheet material previously available for store fronts and the like. The Court of Appeals held (R. 998, p. 35) that:

> "There was nothing to prevent a person of ordinary mechanical skill from using such sheets in the making of baking pans. Certainly it would not require inventive genius to thus shape these sheets. The fact that the metal may have been designed for ornamental purposes would not deprive a person from using it for other purposes, such as baking pans."

This is obviously not a proper analysis of the law. The court did not challenge the original findings of the District Court (R. 997, p. 153) that, prior to Jackson, it was universally believed that any surface other than a smooth surface would interfere with baking and with cleaning and that Jackson discovered "quite unexpectedly":

"(a) that the new baking pan had a more pleasing and appealing appearance;

(b) that it was not easily scarred, marked or smudged;

(c) that it had greater strength and resistance to denting and warping;

(d) that it distributed the grease more evenly over the inner surfaces of the pan;

(e) that the pan surface was increased for a given amount of volume so that baking was improved, and

(f) that heat transfer was improved for the same reason."

These findings of the District Court were not overturned by the Circuit Court of Appeals nor by the District Court in its second hearing, although the District Court did not reenter them when it found the patent invalid.

The Circuit Court of Appeals found no invention in the combination of a baking pan and what had been merely an ornamental design. If the only result from this combination had been an ornamental baking pan, the holding of the Court would apparently be correct. The result of the combination, however, produced new and unexpected results not only in ornamenting the pan, but in greatly increasing its efficiency and capability as a baking pan. A great deal more was involved than merely replacing the smooth surface of a baking pan with an ornamental surface. When used in a baking pan the ornamental design became functional for the first time. A new product resulted, differing from all that had preceded it in usefulness and excellence, and having new properties.

A baking pan made from an old article, is patentable if new and unexpected results are accomplished thereby. The District Court found that such results were accom-

plished. The Court of Appeals did not contest this finding. Therefore, the decision of the Court of Appeals is completely erroneous as a matter of law. (*Smith* v. *Goodyear Dental & Vulcanite Company*, 93 U. S. 486 at p. 496.) See also *Loom Co.* v. *Higgins*, 105 U. S. 580.

Respectfully submitted,

CHARLES J. MERRIAM,
STANLEY HOODS,
Counsel for Petitioner.

IN THE

Supreme Court of the United States

OCTOBER TERM, 1946.

Nos. 70, 71

EDWARD KATZINGER COMPANY,
Petitioner,

vs.

CHICAGO METALLIC MANUFACTURING COMPANY,
Respondent.

PETITIONER'S REPLY BRIEF.

CHARLES J. MERRIAM,
STANLEY HOODS,
Counsel for Petitioner.

THE GUNTHORP-WARREN PRINTING COMPANY, 310 WEST JACKSON, CHICAGO

IN THE

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Respondent.

PETITIONER'S REPLY BRIEF.

Respondent's brief takes the position that there is no issue before this court. It urges that the only issue below was that of infringement, and says that no assignment of error was made as to this question. The contention has no basis in fact or in the record.

When the case was first tried in the District Court on the merits, the District Court found that Metallic's "Bake-King" ware was an infringement of Jackson patent 2,077,757. See Record 997, page 156.* The patent was held

* We designate the record of 70 by its original number of 997 and the record of 71 by its original number of 998 to conform with our brief filed herein.

valid because of an estoppel. On appeal, the Court of Appeals limited its decision to the estoppel, holding that there was no estoppel and remanding the case to the District Court to determine the validity of the patent. See Record 997, page 211.

When the case was tried on the remand, the District Court stated that the only question before it was the validity of the patent, saying, Record 998, page 11:

> "The only question now before this Court is the validity of Jackson Patent No. 2,077,757 when tested without the estoppel.
>
> "Considering the Jackson Patent on its merits and after a complete review of the prior art cited by the petitioner, I am of the opinion that Jackson Patent No. 2,077,757 is invalid as being fully disclosed in the prior art.
>
> "An appropriate decree so holding may be prepared by counsel for petitioner."

In accordance with this decision of the court, a final decree was entered which included the statement upon which Metallic bases its whole case. That statement will be found on page 16, Record 998, and is as follows:

> "(3) Patent #2,077,757 is invalid and of no force or effect.
>
> "(4) Defendant's charges of infringement of patent #2,077,757 under its counter-claim directed against Plaintiff's Bake-King tinware, are hereby dismissed for want of equity."

This is obviously not a finding of non-infringement as argued by Metallic, but a finding that the charges of in-

fringement must be dismissed because the patent is invalid.

When the case was appealed, the issues were identical. The statement of points on appeal as shown by pages 19 and 20, Record 998, of course did not include any mention of the point of infringement, and no point was made in the Appellate Court as to any deficiency of the statement of points on appeal.

The Court of Appeals paid no attention to the question of infringement, but simply decided the question of validity of the patent. See Record 998, pages 31-35.

Respondent's brief substantially ignores the real issues as to the estoppel before this court. It does require comment on one or two points:

1. On page 12 of the brief, it is said that both parties were engaged in interstate commerce. This is not borne out by the record. The fact that both parties operated in numerous states does not necessarily mean that they were engaged in interstate commerce, nor does the record show what the situation was at the time the contract was entered into. The burden was on Metallic to show such commerce and no effort was made to do so.

2. The list of record references at the bottom of page 14 of respondent's brief should include the testimony of Mr. Schrager, beginning with question 13 on page 51, Record 997.

Respectfully submitted,

CHARLES J. MERRIAM,
STANLEY HOODS,
Counsel for Petitioner.

IN THE

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Nos. 70, 71

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CHICAGO METALLIC MANUFACTURING COMPANY,
Respondent.

REPLY TO BRIEF OF AMICUS CURIAE.

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REPLY TO BRIEF OF AMICUS CURIAE.

The brief of the Department of Justice filed Amicus Curiae without the consent of the parties and at a very late date raises a number of questions which were not before the lower courts and are not presented by the points of appeal.

I.

The Department of Justice Contends That There Is No Consideration for a License Grant Under an Invalid Patent.

This contention is wholly specious. The forbearance to bring suit is a good consideration so long as the claim upon which suit is threatened is believed to be bona fide. See Restatement of the Law of Contracts, section 76-C.

Illinois law governs the adequacy of the consideration. Forbearance to sue is complete and adequate considera-

tion in Illinois even where the threatened suit is founded upon an allegedly invalid instrument. *Farmers Natl. Bank v. Rosenkrans,* 240 Ill. App. 230.

After arguing that there is no consideration for such a license, the Department of Justice naively concedes that forbearance is a consideration, but argues that forbearance exhausts itself as a consideration as soon as any part of the agreement is executed. If this were the law, then a man who gave an installment note in consideration of forbearance could refuse payment on all of the unpaid installments, whereas, if he gave a single note for the entire amount, there would be good consideration.

Inasmuch as the Department of Justice is contending for a matter of public policy, form does not make any difference. Since form is not important, it is advisable first to examine what can clearly be accomplished by a patentee, and then to see if he has done any more than that. The terms of payment in a license need have nothing to do with the patent. A patentee, like any other promisee, can exact as a royalty a definite sum of money paid at once, or a continuing sum of money to be paid at stated intervals. The amount of the periodical payment of money may be determined in any one of a number of ways. It may be measured by the number of licensed articles, but it might also be measured by unlicensed articles or even fortuitous events. There is nothing illegal or contrary to public policy in granting a license, for example, to a manufacturer of baking ware on the condition that he pay a royalty of 2¼% upon sales of all the baking ware, patented or not patented, which he makes in the future any more than it would be to grant a license for one million dollars, payable at the rate of one cent for each baking tin of any description made by the licensee.

It is unimportant to determine whether a patent is valid

or invalid in deciding whether the licensee is to pay royalties. The consideration for royalties is the forbearance to sue and so long as this forbearance was a good consideration at the time it was given, it does not matter that during the term of the royalty payments the patent may become valueless whether by expiration, surrender, or judicial interpretation.

Perhaps the Department of Justice is disturbed about patents because they mistakenly consider them to be wholly different from other property and in some way abhorrent. This is best illustrated by their continual reference to patents as a "Monopoly". Of course a patent is a species of monopoly, but so is every other form of property. No one attacks the rent charges which one may exact for a parking lot or an office building. A patent no more requires special treatment under the Anti-Trust Laws than does any other form of unique property.

II.

The Department of Justice Argues That No Implied Estoppel Should Be Raised to Prevent a Licensee From Disputing the Validity of a Patent Under Which He Is Licensed.

This point is not involved in the *Katzinger* case and we, therefore, do not propose to argue it, although it does not appear to us that the Department of Justice has made a case for departing from the long established line of authorities.

In the *Katzinger* case the estoppel is by contract based upon good consideration and there is no need to consider whether a corresponding estoppel would or could have been raised by implication.

III.

The Department of Justice Argues That in the Katzinger Case the Expressed Estoppel to Deny Validity Is Contrary to Public Policy Because Unconscionable.

We do not follow this argument. It seems partly to be based on the theory that there is no consideration, which we have already demonstrated to be completely erroneous.

It is partially based on the case of *Pope* v. *Gormully*, 144 U. S. 224, but that case does not support the proposition either by its finding or by its dictum. In the *Pope* case some sixty-five patents were covered by the contract. Fifteen of these were licensed and the rest were not licensed, but as to all, the licensee was estopped to deny validity and title. In addition, licensee agreed not to use twenty features of construction. The Court did not find even the obviously restrictive contract before it to be invalid and did find that a prohibition as to a single patent might be valid. It said that under the circumstances of the extreme contract before it, it would not grant specific performance. The Court expressly refrained from passing upon what would have been its action in a suit at law.

The most that could possibly be said for the *Pope* case as applied to the Katzinger situation would be that the court might decide not to grant an injunction against Chicago Metallic, but would simply grant Katzinger damages. So far as that goes, the history of the case shows that Katzinger was not primarily interested in an injunction but in receiving the royalties promised to it.

Katzinger originally brought suit for royalties against Chicago Metallic, whereupon Chicago Metallic attempted to terminate the license and brought suit for declaratory judgment. Katzinger originally contended that the license agreement had not been terminated and, therefore, that

Chicago Metallic was liable for royalties. This contention was upheld by the District Court, but was overruled by the Court of Appeals upon the appeal of Chicago Metallic, which was not satisfied to have the right to make the material, but wished to avoid the royalties. The issue before this court need be only one as to the royalties.

In so far as public policy is concerned, we should again look beyond mere matters of form and see what it was that the parties wanted to accomplish and whether this could have been legitimately accomplished in any way.

The record shows that Chicago Metallic, before the Jackson patent issued, deliberately copied a new structure of Katzinger as soon as it appeared on the market. As soon as the patent did issue, a notice of infringement was sent to Chicago Metallic. That company had sufficient respect for the patent that it did not choose to contest validity and preferred to take a license. It is quite clear from the language in *Pope* v. *Gormully*, 144 U. S. at 234 that Katzinger could have taken a consent decree on the Jackson patent in suit at that time, since the court said:

> "In an individual case, he may doubtless assent that a judgment be rendered against him, even without notice."

No one would challenge such a consent decree, even though a court might well refuse to support a price-fixing agreement in a license based upon a consent decree.

The Katzinger license does nothing more than could have been accomplished by a consent decree and, therefore, is no more against public policy than a consent decree.

If any preference is to be granted, that person who has refrained from litigation and accomplished his ends by contract should be favored. In this case Katzinger was ready and prepared at the time of the original license to sue and bring the suit to a conclusion; Metallic was not. Presumably, both parties are to be praised rather than

censured for having arrived at a contractual compromise at that time. Certainly Katzinger should not be damaged because it has followed a peaceful rather than a warlike course, since the ends accomplished are the same.

If any preference were given to a judicial as distinguished from a contractual settlement, then litigation will be promoted—an end which has heretofore unanimously been regarded as undesirable.

The Katzinger license does not accomplish a restraint of trade, nor would anything which this court might do concerning that license accomplish such restraint.

The Katzinger Company sought in the beginning to avoid litigation. The testimony shows beyond doubt that it granted a license only on the theory that this was to avoid all litigation in the future. This agreement of the parties has been flouted by Chicago Metallic. It seems to us that the stand taken by Katzinger is meritorious and in the best interests of public policy.

IV.

The Department of Justice Brief Also Assumes That the Jackson Patent Is Invalid and That We Concede Its Invalidity.

As we have pointed out in our main brief, the patent solved a long felt want and, on the record below, the validity of the patent should have been sustained. The District Court stated no sufficient legal basis for holding it invalid and the Court of Appeals stated a completely erroneous basis for invalidity. We contend that the patent represents a step forward in a very crowded art and is entitled to the protection of the courts.

Respectfully submitted,

CHARLES J. MERRIAM,
STANLEY HOODS,
Counsel for Petitioner

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IN THE

Supreme Court of the United States

OCTOBER TERM, A. D. 1945

No. ~~997,998~~ 70-71

EDWARD KATZINGER COMPANY,

Petitioner,

vs.

CHICAGO METALLIC MFG. COMPANY,

Respondent.

REPLY TO PETITION FOR WRIT OF CERTIORARI

MAX W. ZABEL,
EPHRAIM BANNING,
Counsel for Respondent.

The Scheffer Press, Inc. DEL. 7171

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IN THE

Supreme Court of the United States

OCTOBER TERM, 1945

No. 997, 998

EDWARD KATZINGER COMPANY,
Petitioner,

VS.

CHICAGO METALLIC MFG. COMPANY,
Respondent.

REPLY TO PETITION FOR WRIT OF CERTIORARI.

Supplemental Statement of the Matter Involved

To the Honorable the Chief Justice and the Associate Justices of the Supreme Court of the United States:

Petitioner's statement of the matter involved as found on pp. 2, 3 and 4 of its brief is not strictly accurate or complete with regard to the following particulars:

(a) The alleged improved baking qualities are found not only in Metallic's first manufactured Bakerex line of ware which was a copy of the Jackson patent, but also in its later manufactured Bake-King line which was of different character, always asserted by

Metallic to be non-infringing (as so stated in Petitioner's brief, line 18, p. 3), and so held by the Final Decree (par. 4, p. 16, Rec. 998).

(b) Non-smooth baking ware was not new with Jackson, as see the Wojidow patent, Rec. 997, p. 178, the Ledig patent, p. 175, and the Palmer patent, No. 319,306 on which the Court of Appeals (Rec. 998, p. 35) primarily based its finding of invalidity of the Jackson patent. We do not seem to be able to find this controlling Palmer patent in the record submitted to this Court; said patent was not before the District Court at the first trial, but was introduced at the second trial. It had also erroneously been omitted from the printed record of the second appeal to the Circuit Court of Appeals.

(c) With the Palmer patent before it at the second hearing, and with the Circuit Court of Appeals' decision denying the existence of an estoppel to contest the patent, the District Court at the second hearing held the patent invalid (Rec. 998, p. 15).

(d) The finding of the District Court referred to in the first paragraph (Pet. Brief, p. 4) occurred at the *first* trial before said Court.

(e) We cannot agree with the statement at the beginning of the second paragraph (Pet. Brief, p. 4) that the price restriction of the contract which also nullified the estoppel was not enforced. A stipulation filed at the beginning of the first trial before the District Court contained the following passage: "In pursuance of the license agreement Metallic did, for a period of two years more or less, exercise the license therein given by making certain tinware products *and selling same at the prescribed minimum prices*, and paying therefor the applicable royalties." (Rec. 997, p. 2). No amount of self-serving declarations by an officer of Petitioner in later oral testimony to the effect that if called upon he would not have enforced the price restriction, can change this situation. Respondent paid on its Bakerex line, and had discontinued making it at the time of such testimony. At that time it was making its Bake-King line which it always con-

tended was not an infringement, and which has been so decreed. The manufacture of the earlier Bakerex line was discontinued in June 1939 (Rec. 997, p. 71). This suit was started Feb. 21, 1941.

Coments Re Alleged Questions Involved

We find nothing wrong with Q. 1, p. 6 of Petitioner's brief as a moot question, but it is answered below:

The second question is also not in point. The final decree on which this petition is based has the following provision:

> (4) Defendant's (Petitioner's) charges of *infringement* of patent No. 2,077,757 under its counterclaim directed against Plaintiff's Bake-King tinware, are hereby dismissed for want of equity. (Rec. 998, p. 16). (Emphasis and parenthesis ours).

Since this writ does not concern itself with the propriety of the decree on the question of *infringement* as to Respondent's later Bake-King ware, (see Specification of Error, Pet. Brief, p. 10), it must be taken as settled by the decree that such ware does not infringe the Jackson patent. As it does not infringe, Petitioner had the right to cancel the license under par. 14 of the contract (Rec. 997, p. 16), and *no estoppel ever arose,* since it had not made or sold its earlier Bakerex line after the cancellation of the contract, nor any other infringing line. Consequently question 2 falls as not applicable to the case, irrespective of the proposition as to whether it is sound as a matter of public policy under the Anti-trust acts to continue such an estoppel after contract cancellation. If Petitioner had here placed the matter of infringement in issue, then this Court as a preliminary would have had to decide such point before reaching the questions presented.

The same is true as to question 3, because there was no estoppel to enforce (see above as to Q. 2).

IN THE

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, A. D. 1945

No. 997,998

EDWARD KATZINGER COMPANY

Petitioner,

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CHICAGO METALLIC MFG. COMPANY

Respondent.

Brief In Support of Reply to Petition For Writ of Certiorari

It would seem that what we have said heretofore in connection with the "Statement of the Matter Involved" and "Questions Involved" fully answers the request for the issuance of the writ of certiorari. It may be well however just to recapitulate the situation as between the parties. Petitioner received a patent and Respondent took a license thereunder. Respondent for about two years made articles conforming to the patent and paid therefor the royalties provided. *It also maintained the minimum sales price.* At the expiration of the two year period Respondent made a second line of tinware called Bake-King which it contended was *not an infringement* of the Jackson patent and which has been so held by the final decree. At or about the time that Respondent began the manufacture of its non-infringing line, but after it had discontinued its Bakerex line, it

cancelled the license agreement. Under Article 14 of the contract (Record 997, p. 16) no estoppel arose against Respondent, provided the new line did not infringe the patent. The final decree holds non-infringement. The manufacture of Bakerex was discontinued in June 1939 (Rec. 997, bottom of p. 70, F. 128), the last sale was made in March, 1940 (Rec. 997, p. 73, F. 132), and the contract was cancelled Feb. 20, 1941 (Rec. 997, p. 22, par. 7).

The suit was originally initiated by Respondent filing a bill for a declaratory judgment to have the Jackson patent declared invalid, and as an answer to that bill Petitioner counterclaimed on the patent and contract, holding both sets of Respondent's devices, namely the earlier Bakerex line and the later Bake-King line, as infringements. Regardless of any estoppel, Respondent had the right to a determination of the question of infringement as to the later (Bake-King) line. In this said counterclaim the license agreement was pleaded (Record 997, p. 22) and it was furthermore demanded (Record 997, p. 9) "that Chicago Metallic should be required to pay the royalties specified in said contract Exhibit 'A' upon all of said changed or new instructions which the court find do embody or are made in accordance with the license patents or applications and on which no royalty has been paid by Chicago Metallic." It is therefore idle for Petitioner to assert in its brief that it did not insist on an adherence to the price restriction, because it pleaded that contract in full and insisted on its performance.

Because an important and controlling patent to Palmer (which, by the way, we do not find incorporated in the Record before this Court) was omitted at the first trial in the District Court, the Court of Appeals gave permission to add such patent to the Record at the second trial and it

was so added. Since the contract was pleaded and since Petitioner insisted on its performance, the Circuit Court of Appeals at the first appeal had no other alternative than to follow the ruling in *Sola v. Jefferson,* 317 U. S. 173. As the question of infringement was not decided by the Circuit Court of Appeals during the first appeal (lines 23 et seq., page 208, Record 997), that question was open for determination by the District Court at the second trial with the prior art taken into consideration. The District Court at the second trial found non-infringement as to the later Bake-King line and invalidity of the Jackson patent. Under these circumstances Respondent had a right to cancel under Article 14 of its contract, because it had discontinued making an infringing article. *Sola v. Jefferson* above therefore does apply insofar as Petitioner attempted to assert the contract with its price restriction; but post-contract estoppel does not lie because when Respondent cancelled, it had discontinued making an infringing article.

The case of *Westinghouse Electric* v. *MacGregor,* 350 Pa. 333. 38 Atl. (2d) 244, does not apply because the plaintiff there sought only an accounting based on sales where price maintenance was absent and for the further reason here that Respondent was not laboring under any estoppel because of its discontinuance of the manufacture of an infringing article. It has no applicability to the instant case at all.

As to the utter unpatentability of the features of the patent in suit please see p. 35, Rec. 998.

Respectfully submited,

Max W. Zabel,
Ephraim Banning,
Counsel for Respondent.

IN THE

Supreme Court of the United States

OCTOBER TERM, A. D. 1945

No. ~~997,998~~

EDWARD KATZINGER COMPANY,

Petitioner,

vs.

CHICAGO METALLIC MFG. COMPANY,

Respondent.

RESPONDENT'S REPLY TO PETITIONER'S ANSWER.

MAX W. ZABEL,
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The Scheffer Press, Inc. DEL. 7171

IN THE

Supreme Court of the United States

OCTOBER TERM, A. D. 1945

No. 997, 998

EDWARD KATZINGER COMPANY,

Petitioner,

vs.

CHICAGO METALLIC MFG. COMPANY,

Respondent.

RESPONDENT'S REPLY TO PETITIONER'S ANSWER.

Petitioner's Answer Seemingly Ignores the Following Facts.

1. The finding of non-infringement in the final decree (R. 998, p. 16) was necessitated because of the claim of estoppel. It is not surplusage or meaningless, nor is it obiter.

It was further necessitated by the claim of Petitioner that Respondent account for the sale of Bake-King ware after cessation of the sale of Bakerex ware and prior to the cancellation of the contract (please see Assignment of Error 5, p. 20, Rec. 998). Bakerex admittedly had been fully accounted for (pp. 22 and 23, Rec. 997).

The finding of infringement at the first District Court trial based upon an erroneous assumption of estoppel and a record vitally incomplete, can have no bearing upon the later procedure. That finding now stands vacated and has been non-existent since Sept. 27, 1944.

Respectfully submitted

MAX W. ZABEL

EPHRAIM BANNING

Counsel for Respondent.

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CHARLES ELMORE CROPLEY

IN THE

Supreme Court of the United States

OCTOBER TERM, A. D. 1946.

Nos. 70 and 71

EDWARD KATZINGER COMPANY,
Petitioner,

vs.

CHICAGO METALLIC MANUFACTURING COMPANY,
Respondent.

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IN THE

Supreme Court of the United States

OCTOBER TERM, A. D. 1946.

Nos. 70 and 71

EDWARD KATZINGER COMPANY,
Petitioner,

vs.

CHICAGO METALLIC MANUFACTURING COMPANY,
Respondent.

RESPONDENT'S BRIEF.

I.

Introductory.

As we appraise the situation herein the Petition for the allowance of the Writ of Certiorari was granted because of an alleged conflict in the interpretation of *Sola* v. *Jefferson* (317 U. S. 173) as between *MacGregor* v. *Westinghouse* (350 Pa. 333, 38 Atlantic 244) and the decisions here-

in by the Circuit Court of Appeals for the Seventh Circuit (*Katzinger* v. *Metallic,* 139 F. (2nd) 291 and 153 F. (2nd) 149.

The final decision in the instant case (a license contract case) does not depend upon the doctrine of *Sola* v. *Jefferson* at all. It can be and, as we understand it, was based *solely* upon the question of infringement, having no connection whatsoever with the presence or absence of a price-fixing clause in the license contract. (See Findings of Fact, Conclusions of Law, and Decree, pp. 14 to 17, R. 71, in particular paragraph (4) of the decree reading: "Defendant's charges of infringement of patent #2,077,757 under its counterclaim directed against Plaintiff's Bake-King tinware, are hereby dismissed for want of equity."

No error is assigned as to the ruling of non-infringement, so that this case must be affirmed regardless of what this Court may hold with respect to the effect of a price-fixing clause in a license contract.

The Court of Appeals in its first decision (139 F. (2nd) 291) held the *Sola* case to be applicable, and this was in view of the fact that established prices were scrupulously maintained insofar as infringing product was concerned (p. 22, line 1, R. 70). In the *MacGregor* case prices admittedly were not maintained, and that seems to be the main distinguishing feature between the two cases. The two Courts did not have the *same* question before them.

In this case there were two trials and two appeals to the Circuit Court of Appeals (the beforementioned earlier one at 139 F. (2nd) and the later one affirming the decree of non-infringement for want of equity at 153 F. (2nd) 149.* At the earlier appeal the Circuit Court of Appeals

*We are disregarding as immaterial here an initial appeal in which jurisdiction was the sole issue. No error is assigned on that point.

relied upon the *Sola* case (properly as we will show), and remanded the case; but the *final* decree entered after the second trial is neither based on that ruling nor has any relationship thereto. The case turns on another provision of the contract.

II.

STATEMENT OF THE CASE.

We believe the following to be the correct statement of the case.

Some time in 1936 Katzinger brought on the market a type of home baking pans made of *embossed* instead of *smooth* sheets of tinware under the name "Ovenex." Embossed sheets of tinware (Metallic's physical Exhibits 15 and 16) from which such pans could be stamped, had, long prior thereto, been on the open market (p. 35, line 16, R. 70).

Shortly thereafter Metallic placed similar baking pans on the market under the name "Bake Rex."

Thereafter, April 20, 1937, the Jackson patent in suit, No. 2,077,757, issued to Katzinger.

Katzinger promptly (April 22) notified Metallic of infringement and as a result Metallic and the National Enameling and Stamping Company were, on October 1, 1937, licensed at a five per cent royalty, the contract (pp. 15 and 16, R. 70) containing among others the following provisions:

> "11. Licensor reserves the right to establish a minimum sales price for the articles or products which Licensee is licensed to manufacture hereunder and to modify or change such minimum prices from time to time during the life of this agreement. The Licensor, as well as Licensee and any other person, persons or

corporation licensed by Licensor, shall not, with the consent of Licensor, sell or offer for sale, or otherwise dispose of any of the licensed devices or products below said minimum sales price, or on more favorable terms of sale than those set forth in any such scale of prices so established by Licensor. Contemporaneously with the execution and delivery of this license agreement, Licensee has received from Licensor a schedule of minimum prices, effective as of the date hereof, below which none of the products or devices made under this license shall be sold. Licensor reserves the right, upon thirty (30) days' notice in writing given by Licensor to Licensee, to change said minimum prices from time to time during the life hereof. On such articles or devices made and sold by Licensee as to which Licensor shall have failed or neglected to establish a minimum sales price, the royalty shall likewise be computed on the net sales price received by Licensee from its customers. Licensee or its duly authorized representatives shall have access from time to time to the books of account of Licensor during ordinary business hours for the purpose of determining whether or not Licensor has complied with the provisions of this paragraph."

"14. This contract shall remain in force for and during the life of the last expiring patent coming within the terms of this license unless sooner terminated by either party upon sixty days' written notice to the other party, provided, however, that Licensee may avail itself of this right to terminate only upon ceasing to manufacture, sell or distribute articles embodying or made in accordance with any of the licensed patents or applications, except as provided in paragraph 9 hereof. Should Licensee elect to terminate, as aforesaid, except as provided in paragraph 9 hereof, without ceasing to manufacture, sell or distribute said article, it shall be estopped from denying the validity of said patent or patents, or any of them, and be deemed an infringer thereof."

In pursuance of this license agreement Metallic did, for a period of two years more or less, exercise the license by making certain tinware products and *selling same at the prescribed minimum prices*, and *paying therefor the applicable royalties* (line 6, p. 22, R. 70).

Early in 1939 Metallic placed another type of embossed home baking pans on the market under the name "Bake-King" which Metallic contended were not an infringement of the said Jackson patent. No royalties were ever paid on said Bake-King line (XQ 99 and A, p. 66, R. 70).

The Bake Rex line was discontinued in June 1939 (R. 70, p. 70, last line), and sales ceased some time in 1940 (p. 9, R. 71).

The refusal by Metallic to pay royalty on the later Bake-King line resulted in a suit by Katzinger in the State Court at Chicago to enforce such payment.

Later, on February 20, 1941, Metallic canceled the license contract and on February 21, 1941 filed the instant suit in the Federal District Court in Chicago for declaratory judgment to have the Jackson patent declared invalid and its Bake-King line held as not an infringement thereof.

There were two trials. On the first trial the District Court held Metallic estopped by the contract to contest validity. The Circuit Court of Appeals for the Seventh Circuit reversed on authority of the *Sola* case (139 F. (2nd) 291), and remanded the cause for the trial of the issues of validity and infringement (line 23, p. 208, and line 1, p. 211, R. 70). The words "and the cause remanded" do not appear on R. p. 211, but they do appear at the end of the second column, p. 293 of 139 F. (2nd).

At the second trial a new and controlling prior art patent, the patent to Palmer, No. 319,306, June 2, 1885, was

added to the record (Par. II, p. 22, R. 71). It had been submitted to the Court of Appeals at the first appeal, but that Court wanted it introduced at the second trial before the District Court. Katzinger failed to include this patent in the appeal record to the Circuit Court of Appeals on the second appeal but it was added by supplemental proceedings (Par. II, p. 22, R. 71) and prominently relied on by the Appellate Court (R. 71, p. 35). This same controlling patent is omitted in the record before this Court, and its omission was called to Katzinger's attention in Metallic's Reply to Petition for Certiorari.

Strictly speaking it does not need to be before this Court as there are no assignments of error re invalidity and non-infringement.

At this second trial the District Court in its Final Decree found the patent invalid and *not infringed* (pars. 3 and 4, p. 16, R. 71), despite a contrary ruling as to infringement requested by Katzinger in *its* proposed decree (proposed Final Decree, p. 13, R. 71).

The District Court went even further by including in its Final Decree of September 27, 1944 the following provisions:

> "(1) The decree of April 24, 1943, *together with the Findings of Fact* and Conclusions of Law entered as of that date, *are hereby vacated*, and the injunction is dissolved." (Emphasis ours.)

It is important to note this revocation of previous findings since Katzinger is here asserting, as matters of fact, a number of points which do not seem to take account of that situation.

A definite finding on the matter of infringement was necessitated under paragraph 14, and by the claim of Katzinger under its counterclaim that Metallic account for the

sale of the later Bake-King ware *prior to cancellation*. It was a real issue, neither meaningless nor surplusage.

The District Court in its findings of fact (p. 15, R. 71) clearly differentiated the later Bake-King line from the patent because of the irregularity of design, thus furnishing the basis upon which the decree adjudicates infringement.

This decree was affirmed by the Circuit Court of Appeals at 153 F. (2nd) 149 (p. 31, R. 71).

The Court, in affirming, definitely limited the scope of the *claims* of the patent (p. 34, R. 71) in a manner to require the structure which the District Court said (in different language) was not present in the Bake-King line (p. 34, line 24, R. 71). Exhibit 18, illustrative of the Bake-King ware, shows the lack of *continuous* deviations needed in order to be held an infringement.

Both opinions by the Circuit Court of Appeals are here challenged, but we see no point in challenging the second opinion as no error is assigned relative to the factors on which it is based, namely, infringement and validity.

The controlling and only point which is of importance here is the question of infringement; it has been decided adversely to Katzinger, and since Katzinger does not assign error as to that point (p. 10, Pet. for Writ of Cert. and p. 10, Petitioner's Brief), the questions of law presented in the Assignments of Error are moot insofar as this case is concerned. To reach those questions in the instant case this Court would first have to rule adversely to the District Court and the Circuit Court of Appeals on the question of infringement. License contract provision 14 above set out forecloses any other conclusion.

III.

ARGUMENT.

(a) The Later Decision of the Circuit Court of Appeals Is Sound.

It seems to us that a reading of paragraph 14 of the license, set out in full heretofore, coupled with the finding of non-infringement, demonstrates the futility of Katzinger's claim for a reversal of the decree in this cause. Even if the price-fixing paragraph 11 had never been a part of the contract, paragraph 14 gives Metallic the right to cancel the license "upon ceasing to manufacture, sell or distribute articles embodying or made in accordance with any of the licensed patents or applications," in other words, upon ceasing to infringe.

As the making of Metallic's earlier Bake Rex ware had been discontinued before cancellation and the royalties fully paid, and as Metallic's later Bake-King line (the only one here in issue) has been held not to infringe, Metallic obviously was justified in bringing this declaratory judgment suit to free itself of the claims for royalty payment demanded by Katzinger in the State Court suit above referred to, and which was grounded on the claim of infringement.

The parties being rightfully in Federal Court on the question of infringement, it was the duty of the Court also to adjudicate the question of validity, as that is a public matter and not merely a private question as between the parties. Metallic had a perfect right and also

a duty to attack validity (*Sinclair* v. *Interchemical*, 325 U. S. 327). Katzinger admitted at the first trial before the District Court (last few lines, p. 29, R. 70), that the contract stood canceled as of the day of Metallic's notice, thus bringing into play paragraph 14.

Metallic is laboring under no estoppel because of paragraph 14 to contest validity, since its product has been held not to infringe, and Metallic does not *and did not need to rely on the price-fixing paragraph 11 for a judgment in its favor.* Katzinger, at the first trial in the District Court, erroneously urged enlarged scope for the estoppel. At that time (1st par., p. 45, R. 70) Katzinger by his counsel said: "So in this case we admit the license is terminated but under Clause 14 they are *estopped to dispute* both validity and *infringement.*" (Emphasis ours.) A most unheard-of doctrine. Metallic at that time urged the invalidity of any estoppel because (a) of the price-fixing provision (par. 11), and (b) by virtue of non-infringement (par. 14).

The Court of Appeals at the first appeal reversed the District Court because of price-fixing paragraph 11, but would not discuss cancellation paragraph 14, as it said that an adjudication of infringement was premature. (l. 23, p. 208, R. 70.) The Court evidently wished the District Court, in view of the presence of the added Palmer patent, to decide the questions of validity and infringement. It is this reliance by the Court of Appeals on the *Sola* case at the *first* appeal which seems to have made this cause of interest to this Court.

The later finding of non-infringement having, so far as the parties to this cause are concerned, rendered the question of the propriety of the decision on the first appeal

moot, it is of no moment to the parties to this cause whether this Honorable Court agrees or disagrees with the propriety of the reliance by the Court of Appeals on price-fixing paragraph 11 at the first appeal. We will show presently why the Court of Appeals on the first appeal *properly* relied on paragraph 11.

On the second appeal the Court of Appeals concerned itself not only with the question of validity, but also construed the claims. Questions of validity and infringement not being before this Court, we do not further burden the Court with additional discussion relative to the propriety of the rulings of the lower Courts on these points.

As Metallic obviously had, under any interpretation of paragraph 14 of the contract, the right to show non-infringement to free itself of Katzinger's royalty claims, and, being successful on that score, had the right to cancel the contract and show invalidity of the patent, the decree of the lower Court must be sustained.

It is quite true that the Circuit Court of Appeals on the first appeal could have decided the case on the basis of provision 14 without reference to paragraph 11, but the offered new evidence undoubtedly prompted the Court first to place that evidence before the District Court.

Aside from the propriety of reliance on the *Sola* case at the first appeal, we can find no other factors which in our opinion have any bearing on this case, insofar as the final decree adjudicates the rights of the parties, but since various and sundry points have been brought up and emphasized by Katzinger, we feel it incumbent upon us to discuss them.

(b) The Circuit Court of Appeals Was Right in Relying Upon Sola v. Jefferson on the First Appeal.

On the first appeal the Appellate Court (R. 70, p. 207) held that the presence of price-fixing paragraph 11 abrogated the estoppel to contest validity, cancellation or no cancellation, as the provisions were not separable. The Court also held that the construction placed by the District Court on certain facts was wrong. We show later on that the fact assumptions by the District Court at the first trial are largely in error.

Katzinger complains that the Appellate Court went beyond the *Sola* case in that the price fixing provision 11 had been wiped out by cancellation of the contract simultaneously with the operation of provision 14, so that provision 14 stands uncontaminated by cancelled provision 11, even though they are part and parcel of the same contract. Since non-separable provision 14 still remains in force, we see no escape from the conclusion that it remains tied to price-fixing provision 11.

The contract was not separable, as all of its provisions were part of one complete indivisible whole. If it is against public policy to foreclose inquiry into the validity of a patent which is the subject of a license contract *during* the time that such license is in force, all the more so is it against public policy to foreclose such inquiry during a *post-license* period.

As we have said heretofore, the question of whether the Court on that first appeal was right or wrong, can have no effect on the rights of the parties in the instant suit because the question of infringement has since then been decided adversely to Katzinger, and no error is assigned on that point. There being no infringement, no estoppel

applies under paragraph 14. Metallic being rightfully in Court on the question of infringement, could also contest validity.

In order to distinguish from the *Sola* case Katzinger makes certain statements in its brief which we cannot reconcile with the actual facts.

The statement (par. 6, p. 13 of the brief) that the transactions *might* have been intrastate loses its value as both parties operated throughout all of the 48 states (p. 73, R. 70).

The statement (par. 3, p. 12 of brief) that the price-fixing agreement had been terminated before any action was brought by either party must be read in the light of the fact that the State Court suit was brought *before* cancellation, and that cancellation took place just one day before the instant suit was brought.

The statement (par. 4, p. 12 of brief) that the Courts below found that the price-fixing agreement was not enforced is not in line with the evidence (line 6, p. 22, R. 70), as it was stipulated that the prices were fully maintained throughout. However, it was only the *original* ruling by the District Court which so held; the Appellate Court did not follow suit. But the further statement (par. 1, p. 12 of the brief) that Katzinger did not seek enforcement of the price-fixing provision may well be true since full compliance made the need for enforcement unnecessary.

We fail to find real substantiation in the record that Metallic asked for the license. Schrager (p. 53, R. 70) says it did, and Cohn says it did not (Q. 6, p. 72, R. 70). Since both parties agreed to the contract we can see no reason why it makes any difference. The license terms

were in reality arranged between Katzinger and National Enameling and Stamping Co. (pp. 54 and 62, R. 70). Metallic merely said that it would be satisfied with whatever National accepted. The only thing which Metallic seems to have wanted was a differential in price between the smooth and the embossed tinware (p. 70, R. 70), no doubt because of a differential in the cost. Metallic did not like a price fixing agreement (p. 73, R. 70).

The statement (last par. p. 11 of brief) that Metallic "made a palpable attempt at evasion of infringement" is hardly apt in view of the final decree finding non-infringement and the findings and opinions leading up to it.

That it was Katzinger's plan to so tie up Metallic by the Agreement that Metallic could *never* make any other than *smooth* pans, infringement or no infringement, is clear from Mr. Schrager's testimony (p. 67, R. 70).

We can see no justification for the statement (line 20, p. 6 of brief) that the Bake-King line "did in fact infringe"; the decree is to the contrary.

It is quite true that the District Court at the first trial held the doctrine of the *Sola* case inapplicable (brief, p. 8) but that ruling was not only reversed by the Appellate Court, but, as is apparent from the above, the assumptions of fact by the District Court are and were held to be in error and not warranted.

The generalities indulged in by Katzinger in its brief thus find no basis in the record.

Katzinger however does make certain contentions in an attempt to distinguish the instant case from *Sola* v. *Jefferson*, and *MacGregor* v. *Westinghouse Electric*, 350 Pa. 333, 38 Atl. 244 (brief p. 12, line 4).

Just why Katzinger *now* says he wishes to *distinguish* from the *MacGregor* case seems odd when considered in the light of the Petition for the Writ of Certiorari where Katzinger, after quoting at length from that decision, says (p. 13): "The present case is precisely within that decision." As we set forth in our Reply to the Petition, petitioner (Katzinger) did not accurately set forth the facts in the Petition. As merely one of the misstatements we call attention to the assertion (par. 1, p. 11 of Petition): "Metallic did terminate the license without ceasing to manufacture the patented article." This despite the decree which found non-infringement and as to which no error is assigned. Nor is it strictly correct to say that this case is "precisely within that decision", as the Court in the *MacGregor* case seems to have placed much reliance on the *absence of price maintenance.* In the instant case prices *were* maintained.

As to these contentions by Katzinger:

Since the *Sola* case favors rather the licensee than the licensor, we see no reason to distinguish (brief, p. 12) because the licensee brings the action instead of the licensor. As there was full compliance by licensee on price maintenance, there was no reason for licensor to attempt enforcement. Relief in the *Sola* case was also granted to licensee.

We finding nothing in the record to justify Katzinger's claim that the equities are with it. The passages in the record relating to the pre-license negotiations are the following:

Q. 33, p. 54, R. 998 through answer to Q. 40,
Q. 48, p. 57, R. 998 through answer to Q. 51,
Q. 71, p. 63, R, 998 through answer to Q. 73,

XQ. 88, p. 65, R. 998 through answer to Q. 93,
XQ. 102, p. 66, R. 998 through answer to Q. 107,
Q. 4, p. 71, R. 998 through answer to Q. 9,
Q. 14, p. 72, R. 998.

Apropos of the simultaneous cancellation of provision 11, and operation of provision 14, may we add that it is clear from the statements by Mr. Schrager (R. 70, pp. 54 and 67) that *he* insisted on provision 14 in order to prevent Metallic from ever being relieved of the provisions of the contract unless they went back to smooth tinware even though another type of embossed tinware which they might use did not infringe the Jackson patent.

While the contract as drawn does not tie Metallic in that manner, the intent underlying provision 14 is anything but salutary. If the provision had meant what Mr. Schrager thought it meant, it would certainly be an unwarranted extension of the Jackson patent beyond its terms. Even then Katzinger would still have to rely on provision 14 of a contract having a price restriction. Although, as before stated, the question of divisibility insofar as the instant suit is concerned is a moot question, yet, on authority of Williston on Contracts, Art. 863, we respectfully submit that the contract is not divisible or severable.

Katzinger argues (brief, p. 13) that a price fixing provision in a contract is not *per se* illegal if the patent is valid. Quite so, under certain conditions.

We can find no justification for the statement (Brief, p. 14) that "The decision of the Seventh Circuit Court of Appeals in effect holds that any price fixing agreement is evil *per se* and so affects any contract as to render it invalid * * *." The first sentence of the opinion answers

such charge (p. 207, R. 70). The Court was concerned with estoppel, and not *contract invalidity.*

The Circuit Court of Appeals did not hold the *contract* invalid *per se,* but, eliminating the estoppel, remanded to test validity and infringement in the light of the new evidence,—which had been called to the attention of the Appellate Court at the first appeal, without being officially a part of the record.

We feel that the Appellate Court was justified in remanding the case before deciding the question of infringement, because infringement naturally depends upon the *scope* of the *claims* in the light of prior art, a matter in the first instance for the Trial Court. As such claims were construed by these Courts, infringement is negatived at a glance.

(c) Dissimilarity Between the Instant Case and the MacGregor Case.

In the *MacGregor* case *price restrictions were neither maintained nor enforced.* In the instant case they *were maintained.*

As a decision of the instant case on its merits does not depend upon the outcome in the *MacGregor* case we feel that we need not further discuss it.

The decisions by the Circuit Court of Appeals are sound and should be affirmed.

Respectfully submitted,

MAX W. ZABEL,

EPHRAIM BANNING,

Counsel for Respondent.

FILE COPY

IN THE

Supreme Court of the United States

OCTOBER TERM, A. D. 1946.

Nos. 70, 71

EDWARD KATZINGER COMPANY,

Petitioner,

vs.

CHICAGO METALLIC MANUFACTURING COMPANY,

Respondents.

PETITION FOR RECONSIDERATION AND REHEARING.

CHARLES J. MERRIAM,
STANLEY HOOPS,
Attorneys for Petitioner.

IN THE

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CHICAGO METALLIC MANUFACTURING COMPANY,

Respondents.

PETITION FOR RECONSIDERATION AND REHEARING.

Now comes the petitioner, Edward Katzinger Company, and petitions for reconsideration and rehearing for the following reasons:

(A) In the next to the last paragraph of the majority opinion the court states "Metallic's obligation to pay royalties and its agreement to sell at prices fixed by Katzinger constituted an integrated consideration for the license grant. Consequently, when one part of the consideration is unenforceable because in violation of law, its integrated companion must go with it."

The court has merely found Jackson Patent 2,077,757 invalid. There were three other patents, D 108,140, D 108,141 and D 108,573 (R. 71 p. 3) upon which the price fixing agreement could have been based, and which constituted a valid consideration.

Price fixing was never applied to Bake King—it was only applied to Bakerex. There is no finding here that Bakerex infringed only Patent 2,077,757. If it infringed any of the other patents, and we assert it did, and there is no assertion to the contrary, then price fixing was legal if the other patents were valid. They have not been found invalid.

No price list was ever issued on Bake King (R. 71 pp. 73, 67). There is no showing on the record that price fixing was illegal as respects Bakerex.

The majority of the court seems to feel that the fact that a price list was issued in October 1937 (it was the only one R. 71 p. 67) determines the case. That list applied only to Bakerex. No list was issued for Bake King. Katzinger didn't want any price fixing (R. 71 pp. 63-4) and Metallic didn't want it for Bake King (R. 71 p. 73).

On October 20, 1939, the old contract was merged in a new one in which the royalty was reduced from 5 to 2½% (R. 71 pp. 17-18). No price lists were issued thereafter, and neither party wanted one.

Thus the only price fixing, if it can be called that, was on a product not here involved, it was prima facie legal, and the contract was amended on a new consideration *so far as Katzinger* is concerned, after the original lists became obsolete.[1]

[1] In the absence of any change in prices, they were obsolete because they were supposed to impose a differential of the amount of the royalty. When that changed from 5 to

The license under these other presumptively valid patents constituted a perfectly valid and still existing consideration for the estoppel.

(B) In the last paragraph of the majority opinion it is stated, "The royalties here claimed accrued, if they accrued at all, prior to the time the license agreement terminated. Consequently, the fact of subsequent termination does not free the promise to pay royalties from the taint of the price-fixing provision."

The basis of the counterclaim was not a cause of action for royalties. Katzinger had sued for royalties in the *state court* at the time the agreement was terminated. Its counterclaim in the federal court had to be for infringement, there being no diversity of citizenship between the parties. Therefore, royalties could not be the basis for any action here. Any relief as to royalties had to be ancillary to the infringement complaint. The only action upon which jurisdiction could be sustained, was one for an injunction and damages for infringement of the patent. No liability for infringement could have accrued while there was price fixing, because there was an existing license.

(C) The opinion states in paragraph 3 that Katzinger prayed for an accounting of unpaid royalties "to be computed at 2.5 per cent to 5 per cent of the sales price which was governed by the minimum price list attached to the license."

Katzinger's prayer did not pray for relief under the

2½% they were obviously useless. The record is not too clear on many of the points concerned with the defense of illegality, because the point was not pleaded, nor was it urged until after the trial had closed.

price provisions of the minimum price schedule. It was stipulated that royalties had been paid except upon the "Bake-King" line. It was conceded that there was no price schedule for the "Bake-King" line (R. 71 pp. 67, 73).

Katzinger has never requested that royalties be paid other than on the actual sales price of Metallic, and if it had, that could easily have been corrected by the decree.

(D) The opinion states in paragraph 6 that "Federal courts must, in the public interest, keep the way open for the challenge of patents which are utilized for price-fixing of interstate goods."

This is a plain implication that there were interstate sales of the goods here concerned. The majority of the court in paragraph 2 of the opinion refers to the testimony that Metallic sold pans over a large part of the country. This is not a proof of interstate sales. All the sales could have been intrastate. There was no allegation of interstate sales and the burden of proof of this was certainly on Metallic.

E.

We believe that this court should reconsider its decision in the *McGregor* v. *Westinghouse* case for reasons we will urge below, but even if that case remains the law, it should not bar the estoppel here.

We urge that the estoppel be considered valid under all conditions because the public interest will best be served by so doing.

If estoppel by license or contract is restricted, then the tendency will be for patent owners:

a. To refuse to grant licenses.

b. To have a patent adjudicated before granting a license.

c. To collect royalties in advance.

The Department of Justice for years has sought to encourage or force patentees to grant licenses in order to increase competition. The decision of this Court is certain to have the opposite effect.

A license should be regarded as a settlement, and as a settlement it should be encouraged and should be regarded as closed on both sides. A policy which promotes settlements and leaves them final has proved historically to be best for the most people.

Whatever decision may be reached on the question of estoppel in general, however, the facts of the present case should result in a finding for Katzinger.

Petitioner finds itself in a very peculiar position. It did not seek price fixing. It did not enforce price fixing. Whatever price fixing there was, if any, was on a line of bake ware which was licensed under four patents, three of which are still presumptively valid. Petitioner offered to withdraw the price fixing arrangement and this offer was kept open up to the time the license was terminated (R. 71, pp. 63-4). The "Bake King" line upon which this suit was brought was never under price fixing.

Furthermore, the District Court, the Court of Appeals and this Court, in spite of having held the contract reprehensible in its entirety, have granted relief (an injunction) to Metallic, which is certainly in no better position than Katzinger.

We request reconsideration and rehearing.

Respectfully submitted,

CHARLES J. MERRIAM,
STANLEY HOODS,
Attorneys for Petitioner.

I hereby certify that I am submitting the foregoing Petition for Rehearing and Reconsideration in good faith and not for delay.

FILE COPY

IN THE

Supreme Court of the United States

OCTOBER TERM, A. D. 1946.

Nos. 70 and 71

EDWARD KATZINGER COMPANY,
Petitioner,

vs.

CHICAGO METALLIC MANUFACTURING COMPANY,
Respondent.

RESPONDENT'S REPLY TO PETITION FOR RECONSIDERATION AND REHEARING.

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IN THE

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CHICAGO METALLIC MANUFACTURING COMPANY,
Respondent.

RESPONDENT'S REPLY TO PETITION FOR RECONSIDERATION AND REHEARING.

Replying to Petition for Reconsideration and Rehearing filed by the petitioner, Edward Katzinger Company, respondent shows:

Petitioner has cited no decisions or other authority in support of any of the several points urged by it.

The statement contained in the last paragraph on page 1 of the Petition for Reconsideration and Rehearing to the effect that there were three other patents upon which the price fixing agreement could have been based loses force in view of the fact that infringement charges made under three *design* patents were either withdrawn or abandoned (Rec. in No. 70, p. 17). Moreover, in any aspect, the state-

ment fails to meet the proposition stated by the Court and against which it is directed.

As to the statements on page 2 of the Petition for Reconsideration and Rehearing:

When Katzinger, prior to cancellation of the contract, sought an accounting as to Bake-King, it did so under the contract with its price fixing provision (Rec. in No. 70, p. 66). If Katzinger regards Bake-King as infringing the design patents, why did it withdraw or abandon the infringement charges which it made under them?

The invalidity of the patent foreclosed propriety of price-fixing.

Changing the royalty rate did not alter any other provision of the contract. Nor did changing the differential change the minimum.

The statements on page 3 under subdivision (B) are refuted by the fact that Katzinger, in its Answer, requested an accounting under the contract (Rec. in No. 70, p. 11). Moreover, the Bake-King line was not an infringement; hence it was not within the contract.

As to interstate sales considered under subdivision (D), see the statements contained in answer to XQQ 115, 116 (Rec. in No. 70, p. 68).

The petitioner's statement under subdivision (E) (on p. 5) that it did not seek price fixing is refuted by the testimony of its own witness (XQQ 88-92, Rec. in No. 70, p. 65), which shows what Katzinger insisted upon regarding price fixing,—namely, the establishment of a minimum price for the devices of the alleged patent and a differential between patented and unpatented devices (see also Rec. in No. 70, QQ 5, 6, p. 72; Answer to Q 14, p. 73). Enforcement of the price fixing provision was unnecessary because of com-

pliance with it (Rec. in No. 70, p. 22, par. 1). Moreover, Mr. Cohn, in behalf of Metallic, stated that Metallic would sign any contract negotiated between Katzinger and National (Rec. in No. 70, p. 54, line 10 from bottom).

The reasons stated in the Petition for Reconsideration and Rehearing do not appear to warrant disturbing the Court's disposition of the cause.

Respectfully submitted,

MAX W. ZABEL,
EPHRAIM BANNING,
Counsel for Respondent.

pp. 5.

SUPREME COURT OF THE UNITED STATES

Nos. 70 AND 71.—OCTOBER TERM, 1946.

Edward Katzinger Company, Petitioner, 70 v. Chicago Metallic Mfg. Company.	On Writs of Certiorari to the United States Circuit Court of Appeals for the Seventh Circuit.
Edward Katzinger Company, Petitioner, 71 v. Chicago Metallic Mfg. Company.	

[January 6, 1947.]

MR. JUSTICE BLACK delivered the opinion of the Court.

The question here is whether the defendant, in a suit to recover royalties only under a terminated patent license agreement containing price-fixing provisions, can challenge the validity of the patent despite a covenant in the license contract that he would not do so.

The petitioner, Edward Katzinger Company, and the respondent, Chicago Metallic Mfg. Company, make and sell tin baking pans. The undenied testimony was that Metallic sold its pans over a large part of the United States, probably in every state in the country. Katzinger became owner of Jackson patent No. 2,077,757 on a certain type of pan.[1] Metallic, accused of infringing, entered into a licensing contract under which, upon payment of stipulated royalties, it was authorized to manufacture and sell pans made in accordance with the claimed invention. Sections 3 and 11 of the license contract, set out below,[2] provided that Metallic, like all other licensees, should sell

[1] Other patents, originally in suit, are not involved in this case.

[2] "3. Licensor agrees that while this agreement remains in force and effect, if it permits others under license or other agreement to manufacture or sell articles or devices embodying or made in accordance with any of the patents or applications hereinbefore described,

these pans at prices fixed by Katzinger. Royalties were to be computed on the basis of "net sales" of articles "made in accordance with any of the patents or applications under this license." Section 14 provided that if Metallic elected to terminate the contract, without ceasing to manufacture the pans, Metallic should "be estopped from denying the validity of said patent . . . and be deemed an infringer thereof." Metallic maintained the patentee-fixed prices and paid royalties on pans deemed by it to be covered by the patent.[3]

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upon terms more favorable than those granted the Licensee hereunder, the Licensor shall immediately notify the Licensee hereunder and grant the same terms to the Licensee."

"11. Licensor reserves the right to establish a minimum sales price for the articles or products which Licensee is licensed to manufacture hereunder and to modify or change such minimum prices from time to time during the life of this agreement. The Licensor, as well as Licensee and any other person, persons or corporation licensed by Licensor, shall not, with the consent of Licensor, sell or offer for sale, or otherwise dispose of any of the licensed devices or products below said minimum sales price, or on more favorable terms of sale than those set forth in any such scale of prices so established by Licensor. Contemporaneously with the execution and delivery of this license agreement, Licensee has received from Licensor a schedule of minimum prices, effective as of the date hereof, below which none of the products or devices made under this license shall be sold. Licensor reserves the right, upon thirty (30) days' notice in writing given by Licensor to Licensee, to change said minimum prices from time to time during the life hereof. On such articles or devices made and sold by Licensee as to which Licensor shall have failed or neglected to establish a minimum sales price, the royalty shall likewise be computed on the net sales price received by Licensee from its customers. Licensee or its duly authorized representatives shall have access from time to time to the books of account of Licensor during ordinary business hours for the purpose of determining whether or not Licensor has complied with the provisions of this paragraph."

[3] Of course it is the unlawful agreement, whether it is executed or not, which violates the anti-trust laws. *U. S.* v. *Socony Vacuum*, 310 U. S. 150; *U. S.* v. *American Tobacco Co.*, 328 U. S. —, —. In

A controversy later arose as to whether certain types of pans manufactured by Metallic were covered. Declining to pay royalties on this type of pan, Metallic gave notice of termination of the contract and initiated this action for a declaratory judgment praying that the court declare that the patent was invalid for want of invention and that the controversial pans were not covered by, and did not infringe, any of Katzinger's patents. Katzinger in an answer and counterclaim alleged, so far as material here, that the patent covered all the Metallic pans, that Metallic was estopped to challenge validity of the patent by § 14 of the contract, and that Metallic either owed royalties or was liable for infringement. It prayed, among other things, for an accounting for unpaid royalties which were to be computed at 2.5% to 5% of the sales price which was governed by the minimum price list attached to the license.[4] In the alternative it prayed that Metallic be required to account for profits and damages as an infringer. The District Court held that Metallic was estopped to challenge the validity of the patents, and, treating them as valid, found that the patent claims did cover all the pans. Accordingly, it ordered an accounting to determine royalties due for the period prior to termination of the license contract, and for infringement damages thereafter.

Relying upon our decision in *Sola Electric Co.* v. *Jefferson Electric Co.*, 317 U. S. 173, the Circuit Court of Appeals reversed. It held that the agreement to fix prices

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the cases here the parties stipulated that "in pursuance of this license agreement Metallic did, for a period of two years, more or less, exercise the license therein given by making certain tinware products, maintaining minimum prices and paying therefor applicable royalties." While the court originally made findings to the effect that Metallic did not attempt to carry out the price fixing agreement and was willing to have it removed from the contract, these findings were expressly vacated on remand.

[4] The schedule of minimum prices incorporated by reference into the license agreement was set out as an exhibit in Katzinger's counterclaim.

was inseparably connected with the agreement to pay royalties; that if the patent was invalid, the price-fixing provision violated the federal anti-trust laws; that conflict of the price-fixing provision with the anti-trust laws would make the agreement to pay royalties unenforceable; and that the District Court had erred in barring Metallic from challenging the patent's validity as a predicate to establishing the illegality and consequent unenforceability of the royalty covenant. The cause was remanded to the District Court to pass upon validity of the patent. 139 F. 2d 291. That Court then held the patent invalid and rendered judgment for Metallic. The Circuit Court of Appeals affirmed. 153 F. 2d 149. We granted certiorari because of a conflicting decision in *MacGregor* v. *Westinghouse Electric Co.*, 350 Pa. 333. The Pennsylvania Supreme Court in the *MacGregor* case ruled that price-fixing provisions in a license agreement such as the one before us were severable from the agreement to pay royalties, and read our *Sola* case as though it were a holding that a licensee was estopped to challenge a patent's validity except in cases where a licensor sought affirmative relief to enforce price-fixing provisions of a license.

We need not consider whether under the ruling of *Bement* v. *National Harrow Co.*, 186 U. S. 70, 87–91, these price-fixing provisions would be lawful if the patent were valid. The question here is entirely different. Nor need we, as it has been suggested, discuss this Court's opinions in *Kinsman* v. *Parkhurst*, 18 How. 289, and *United States* v. *Harvey*, 196 U. S. 310, which were concerned with particular circumstances there involved. In the *Sola* case we declined to examine these prior decisions, holding that neither of them was relevant because "no price-fixing stipulation was involved in the license contract" at issue in those cases. So here, it would be inappropriate to re-examine those decisions now. Under what other circum-

stances a federal rule of estoppel might be applied is a question which can be met when particular facts present it.

The *Sola* case reaffirmed past decisions holding that price-fixing agreements such as those here involved are unenforceable because of violations of the Sherman Act save as they may be within the protection of a lawful patent. That case held further that local rules of estoppel cannot screen such agreements from court scrutiny, and that federal courts must, in the public interest, keep the way open for the challenge of patents which are utilized for price-fixing of interstate goods. It is true that the licensee there not only sought a recovery of royalties, but prayed generally for an injunction to require observance of all the provisions of the license agreement, one of which provisions was for price-fixing. But that the chief object of that suit was to recover royalties and not to require observance of the price-fixing provisions is indicated by the fact that, while breaches of other covenants of the contract were alleged in the petition, and specific prayers for their observance were included, there was no charge that the licensee had breached the price-fixing covenant and there was no specific prayer to require observance of it. Nor did this Court indicate that the patent would have been immune from challenge had the licensee sued for royalties only. This would have permitted a licensor to be protected on an illegal contract merely because the licensee chose one remedy rather than another on the same substantive issue. If we had intended to draw such a fine line, it is hard to believe that such a careful writer as the late Chief Justice would have failed to indicate in the opinion or the mandate of the Court in the *Sola* case that on remand the trial court, while permitting challenge of the patent to defeat the injunction, must treat the price-fixing provision as severable, and forbid challenge

for the purpose of defeating the claim for recovery of royalties.[5] That decision, instead of resting on such a narrow procedural base, was firmly grounded upon the broad public interest in freeing our competitive economy from the trade restraints which might be imposed by price-fixing agreements stemming from narrow or invalid patents. *Sola Electric Co.* v. *Jefferson Electric Co.*, *supra* at 177.

In *Scott Paper Co.* v. *Marcalus Co.*, 326 U. S. 249, it was held that even an assignor who had sold a patent issued to itself was free to challenge the validity of the patent and thereby defeat an action for infringement by showing that the invention had been described in an expired patent. In thus emphasizing the necessity of protecting our competitive economy by keeping open the way for interested persons to challenge the validity of patents which might be shown to be invalid, the Court was but stating an often expressed policy that "It is the public interest which is dominant in the patent system," *Mercoid Corp.* v. *Mid-Continent Investment Co.*, 320 U. S. 661, 665, and that the right to challenge "is not only a private right to the individual, but is founded on public policy which is promoted by his making the defense, and contravened by his

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[5] The cases cited in the *Sola* decision rejected contentions that the offending price fixing provisions should be considered severable from the rest of the contract and therefore enforceable. See *e. g.*, *Bement* v. *National Harrow Co.*, 186 U. S. 70, 88; *Continntal Wall Paper Co.* v. *Louis Voight & Sons Co.*, 212 U. S. 227, 230, 266.

That this Court's attention was called in the *Sola* case to this question is shown by examination of the brief filed here for *Sola* which cited decisions of this Court to support a contention that the provisions for royalties and price-fixing were inseparable and that royalties must be denied if the price-fixing provision were illegal. *Morton Salt Co.* v. *Suppiger*, 314 U. S. 488; *Loud* v. *Pomona Land & Water Co.*, 153 U. S. 564, 576; *Williams* v. *The Bank of the United States*, 2 Pet. 96.

refusal to make it." *Pope Mfg. Co.* v. *Gormully*, 144 U. S. 224, 235.[6]

If the question of severability, urged by the petitioner here, were a new one, we should again arrive at the conclusion we reached in the *Sola* case. Metallic's obligation to pay royalties and its agreement to sell at prices fixed by Katzinger constituted an integrated consideration for the license grant. Consequently, when one part of the consideration is unenforceable because in violation of law, its integrated companion must go with it. See *Hazleton* v. *Schenckles*, 202 U. S. 71, 78. Moreover, solicitude for the interest of the public fostered by freedom from invalid patents and from restraints of trade, which has been manifest by the line of decisions of which the *Scott Paper Co.* and *Sola* cases are two of the latest examples, requires that there should be no departure from the guiding principles they announced.

The royalties here claimed accrued, if they accrued at all, prior to the time the license agreement terminated. Consequently, the fact of subsequent termination does not free the promise to pay royalties from the taint of the price-fixing provision. Nor does the fact, if it be a fact, that Metallic itself suggested the price-fixing provision, bar Metallic's challenge to the patent's validity. For the contract was still illegal, whoever suggested it, so that there is no less reason for leaving the way open to challenge the patent as a service to the public interest than if Katzinger had suggested price-fixing. Finally, Metallic's specific contract not to challenge the validity of Katzinger's patent can no more override congressional policy than can an implied estoppel. See *Scott Paper Co.* v. *Marcalus Mfg. Co.*, *supra*, at 257 and cases cited.

Affirmed.

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[6] See *Morton Salt Co.* v. *Suppiger Co.*, *supra* at 492.

SUPREME COURT OF THE UNITED STATES

No. 28.—October Term, 1946.

Alpine MacGregor, Petitioner, v. Westinghouse Electric & Manufacturing Company.	On Writ of Certiorari to the Supreme Court of the State of Pennsylvania.

[January 6, 1947.]

Mr. Justice Black delivered the opinion of the Court.

This case, like that of *Edward Katzinger Co.* v. *Chicago Metallic Mfg. Co.*, Nos. 70, 71, this day decided, involves the right of a patent licensee to defend a suit for royalties only under a licensing agreement which contains a price-fixing provision. Certain subsidiary questions are also raised.

Westinghouse Electric & Manufacturing Company owned Jones' Patent No. 1,651,709. The invention claimed was a brazing "solder comprising copper and phosphorous as the main and essential constituents." Westinghouse sued MacGregor for infringement. The litigation was settled, and MacGregor took a license from Westinghouse authorizing MacGregor to make, use, and sell solder containing the constituents described in Westinghouse's patent claim. MacGregor agreed to pay 10% royalties on the net selling price of the solder. Sections 5 and 6 of the license agreement, set out below,[1] required MacGregor to

[1] "5. Westinghouse grants this license on the express condition that the prices, terms and conditions of sale for use or sale in the United States of America, its territories and possessions of brazing solders embodying the invention covered by said Letters Patent and so long as such brazing solders continue to be covered by said patent, shall be no more favorable to the customer than those which from time to time Westinghouse establishes and maintains for its own sales of similar or competing brazing solders under such patent to such or other similarly situated customer purchasing in like quantities. Mac-

sell the solder for no less than the price Westinghouse charged its own customers. MacGregor paid royalties on solder he made and sold which contained only phosphorous and copper. Later he began to make and sell solders composed of phosphorous, copper, and tin, or phosphorous, copper, and silver. For a time he paid royalties on these. But he also applied for and obtained patents on these two latter solders which added tin and silver respectively to the phosphorus-copper combination.[2] MacGregor then declined to pay royalties on these solders on the ground that they were not covered by Westinghouse's patent. Westinghouse brought this suit for an accounting and payment of unpaid royalties in a Pennsylvania State court. MacGregor filed an answer denying liability and a counterclaim. His answer asserted that the solders which were described in his patents were not covered by Westinghouse's patent. He alleged that the effort of Westinghouse to make him pay royalties on these solders constituted an unlawful exercise of Westinghouse's patent monopoly and that Westinghouse should not be allowed to recover in the courts for this reason. In a counterclaim, he maintained that by inadvertence and mistake he had paid royalties on solders covered by his own

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Gregor shall be notified of all such prices, terms and conditions of sale fixed by Westinghouse.

"The prices terms and conditions of sale of Westinghouse may be changed by Westinghouse from time to time, notice being given MacGregor, but not less than five days' notice shall be given before any such change shall go into effect.

"6. It is agreed that it shall be regarded as an evasion of this agreement amounting to a breach thereof for MacGregor to reduce Westinghouse's sale price or alter Westinghouse's selling terms and conditions of sale directly or indirectly either through its own organization, its agents or others by any device, subterfuge or evasion or by any means whatever or to make the prices lower or the terms or conditions more favorable than those set forth by Westinghouse."

[2] Copper, phosphorous and tin solder is Patent No. 2,125,680; copper, phosphorous and silver solder is Patent No. 2,162,627.

patents. He charged that if the Westinghouse patent should be construed to cover these latter solders, it was invalid. He further contended that the price-fixing provision was a violation of the Sherman Act and the Clayton Act and constituted an unlawful use of Westinghouse's patent monopoly which rendered the whole license agreement illegal.[3] In his counterclaim MacGregor asked, not only for judgment for refund of the royalties alleged to have been inadvertently paid, but also for damages on account of the illegal restraint imposed upon him by the agreement.

The State trial court declined to consider the validity of the patent, holding that it was presumed to be valid, and that MacGregor as a licensee had no right to challenge it. Assuming the patent and all the claims in it to be valid on this theory, the State court found the claims broad enough in scope to cover all the solders manufactured and sold by MacGregor. The trial court did not give a like presumption to the validity of the patents issued to MacGregor, but held that the solders covered by those patents infringed the

[3] The agreement to fix prices, if unlawful at all, was so whether it was executed or not. *U. S.* v. *Socony-Vacuum*, 310 U. S. 150; *U. S.* v. *American Tobacco Co.*, 328 U. S. —, —. But this agreement by MacGregor to sell at fixed prices was no mere token, for the trial court found that on July 11, 1940, Westinghouse called MacGregor's attention to his obligation to observe user and distributor prices, and that on October 23, 1940, Westinghouse, through one of its attorneys, wrote MacGregor's attorney that "if MacGregor sells direct to the user he should conform to the user prices established, and when he sells direct to the dealer, he should conform to the dealer prices established." The oral testimony of Westinghouse's representatives construed the contract as requiring MacGregor to maintain the prices. Moreover, the record before us shows that MacGregor positively testified that he had maintained the Westinghouse prices on the copper-phosphorus combination because he considered himself bound to do so under the license contract.

presumptively valid patents of Westinghouse.[4] The State supreme court affirmed. 350 Pa. 333. It agreed with the trial court that MacGregor was estopped to attack the validity of Westinghouse's patent. It recognized that there could be no estoppel in the present case under our decision in *Sola Electric Co.* v. *Jefferson Electric Co.*, 317 U. S. 173, but for its interpretation of the *Sola* decision as applying only to suits in which the licensee sought affirmative relief to enforce compliance with the price-fixing provision. Since no such relief was asked in this case, the State supreme court felt that there was no existing controversy which involved the price-fixing provision—that the questions of their effect and validity were "moot." Thus it assumed, as did the petitioner in *Katzinger* v. *Chicago Metallic Mfg. Co.*, *supra*, that a royalty agreement was severable from price-fixing covenants. For the reasons stated in today's *Katzinger* opinion we hold that the covenant to pay royalties was not severable from the covenant to sell at fixed prices. Since MacGregor invoked federal law to sustain his challenge to the validity of the patent, the alleged misuse of the patent, and the price-fixing covenant, his contentions raised federal questions not governed by state estoppel or contract severability rules. *Sola Electric Co.* v. *Jefferson Electric Co.*, *supra*, 176–177; *Scott Paper Co.* v. *Marcalus Co.*, 326 U. S. 249. Accordingly, we hold as a matter of federal law that the State supreme court was wrong in affirming the judgment in this cause on the ground that the licensee, MacGregor, was estopped to offer proof of his allegation of invalidity. This error will require, as the

[4] Since the case is to be remanded for trial of the validity of the patent, we find it unnecessary to consider the propriety in any event of indulging a presumption of validity in favor of Westinghouse's patent without giving a presumption of a patentable difference to those of MacGregor. See *Miller* v. *Eagle Manufacturing Co.*, 151 U. S. 186, 208.

State court anticipated, that the cause be remanded for a new trial to determine the validity of Westinghouse's patent. For we do not think that the present state of this record justifies acceptance of MacGregor's contention that we should now pass on validity of the patent. If it be determined on remand that the patent is invalid, there is no question but that, as MacGregor contends, the price-fixing agreement violates the anti-trust laws. *Katzinger v. Chicago Metallic Co., supra; Sola Electric Co. v. Jefferson Electric Co., supra,* at 175; *Scott Paper Co. v. Marcalus, supra.*

But there are alternative federal questions raised here by MacGregor upon which decision might turn even though Westinghouse's patent be held valid. MacGregor pleaded that the price-fixing agreement so effectively wiped out all competition to Westinghouse in the manufacture and sale of these solders that the whole license contract should be held illegal as a violation of the Sherman and Clayton Acts. MacGregor also contended that the license contract should be held unenforceable in the courts on the ground that Westinghouse had attempted to use it to extend the patent's scope beyond its lawful coverage. But since the cause must again be tried in the State court we shall not pass on either of these contentions at this time.

The judgment is reversed and the case remanded to the Supreme Court of Pennsylvania for proceedings not inconsistent with this opinion.

Reversed and Remanded.

SUPREME COURT OF THE UNITED STATES

Nos. 28, 70 AND 71.—OCTOBER TERM, 1946.

Alpine MacGregor, Petitioner, 28 v. Westinghouse Electric & Manufacturing Company.	On Writ of Certiorari to the Supreme Court of the State of Pennsylvania.
Edward Katzinger Company, Petitioner, 70 v. Chicago Metallic Mfg. Company.	On Writ of Certiorari to the United States Circuit Court of Appeals for the Seventh Circuit.
Edward Katzinger Company, Petitioner, 71 v. Chicago Metallic Mfg. Company.	

[January 6, 1947.]

MR. JUSTICE FRANKFURTER, with whom concur MR. JUSTICE REED, MR. JUSTICE JACKSON and MR. JUSTICE BURTON, dissenting.

The Court deems the issues in these cases to be controlled by our decision in *Sola Electric Co.* v. *Jefferson Co.*, 317 U. S. 173. Such is not my understanding of the *Sola* decision. These cases cannot be properly decided, I believe, without consideration of one of the oldest doctrines of the patent law, namely, that a licensee cannot challenge the validity of the patent though everyone else may.

(1) Ninety years ago this Court unanimously announced the doctrine that a licensee under a patent is estopped from challenging the validity of that patent. *Kinsman* v. *Parkhurst*, 18 How. 289. The case may perhaps be explained, or even explained away. But the rule it expressed had become so much part of our law that fifty years later the Court deemed it unnecessary to discuss it and unanimously applied it even against the United States as licensee. *United States* v. *Harvey Steel Co.*, 196 U. S. 310. It is significant that the licensee in that case, while

vigorously contesting its liability upon the particular facts, conceded that the doctrine of estoppel was law "as a general proposition".

(2) Before those cases and since, in all English-speaking jurisdictions, in the courts of England, of the Dominions and of the various States, as well as in the lower federal courts, where most patent litigation originates and stops, a weighty body of cases affirmed and applied that doctrine with rare unanimity.[1] This Court has never questioned the rule.[2] The principle has withstood judicial scrutiny for nearly a century.

(3) Nor has the operation of the rule revealed inroads upon the public interest so as to stir efforts for its abrogation or restriction by Congress. Patent policy has been frequently reconsidered, and some rules formulated by courts were eliminated or modified: Yet in none of the four major patent statutes nor in any of the other numerous amendatory enactments was attempt made to abolish or limit estoppel in favor of the licensor.[3] The Patent Office, charged by Congress with supervision of the patent system and the source of many suggestions enacted into law, has never included among its proposals recommendation to alter that doctrine.

(4) Not until 1942, apparently, was legislative correction invoked, and even then only partially. Several

[1] The early cases are collected in 14 Ann. Cas. 1184. Note also the unanimity among the authors of treatises. Amdur, Patent Law and Practice 598; Ellis, Patent Assignments and Licenses § 692 *et seq.*; 2 Frost, Patent Law and Practice 201; Moulton, Patents 244; Rivise and Caesar, Patentability and Validity § 10; 2 Robinson, Patents § 820; 2 Walker, Patents (Deller's ed.) § 383. And see the cases cited, especially in Walker, Patents, *supra*.

[2] *Cf. Eureka Company v. Bailey Company*, 11 Wall. 488, 492; *Eclipse Bicycle Company v. Farrow*, 199 U. S. 581, 587.

[3] See Patent Act of 1790, 1 Stat. 109; Patent Act of 1793, 1 Stat. 318; Patent Act of 1836, 5 Stat. 117; Patent Act of 1870, 16 Stat. 198. See also the subsequent minor enactments, summarized, J. Pat. Off. Soc., July 1936, pp. 103–22. And see 1 Walker, Patents (Deller's ed.) Appendix.

bills were introduced to permit contest of the validity of a patent in anti-trust suits. See S. 2730, Aug. 20, 1942; H. R. 7713, Oct. 15, 1942; H. R. 109, Jan. 6, 1943; H. R. 1371, Jan. 20, 1943. Only in the latest bills to be introduced is it proposed that "In any proceeding involving a violation of the antitrust laws or involving a patent or any interest therein, a party shall be entitled to show the invalidity or the limited scope of any patent or patent rights involved." H. R. 3874, Dec. 18, 1943; H. R. 97, Jan. 3, 1945; H. R. 3462, June 13, 1945; S. 2482, July 26, 1946. Not one of these bills has yet reached the floor of Congress.

(5) If ever a doctrine has established itself as part of our law to be respected by the judiciary this is it. If it is to be changed, Congress is there to change it. Perhaps Congress will see fit to reexamine the doctrine in all its ramifications in the light of its history and the experience under it, and with due regard to all factors relevant to our patent system. We cannot do that. We can only adhere to the doctrine or overrule it. Until Congress does undo a principle so embedded in our law, we should leave it where we find it.

(6) But in any event, if we are to wipe out so settled a phase of our law it should be done explicitly, not cryptically. In my judgment the *Sola* decision does not give adequate support for the Court's opinion. The cases before us necessarily involve the estoppel doctrine and cannot be disposed of without appearing to overrule a settled course of decision.

(7) No doubt the *Sola* case, like these two, arose out of a claim for royalties under a patent license. But that there was a claim for royalties was hardly mentioned in the Court's opinion in the *Sola* case. The sole issue to which our attention was directed was a prayer that the licensee be enjoined from breach of his promise to abide by the prices fixed by the licensor for the sale of articles manufactured under the patent. Ever since the decision

in *Dr. Miles Medical Co.* v. *Park & Sons Co.*, 220 U. S. 373, this Court, as a matter of judicial policy reflected in legislation, has denied enforcement of agreements not to sell goods below a fixed price. And so this Court has been on the alert not to allow an exception to what is a Congressional as well as a judicial policy unless the basis for it is clean and clear.

The precise issue which we decided in the *Sola* case is not a matter for inference or conjecture. It was explicitly defined and delimited. "The question for our decision", the late Chief Justice wrote, "is whether a patent licensee, by virtue of his license agreement, is estopped to challenge a price-fixing clause in the agreement by showing that the patent is invalid, and that the price restriction is accordingly unlawful because not protected by the patent monopoly." 317 U. S. at 173. That was the issue in the *Sola* case. It was not whether a licensee may challenge the validity of a patent when sued for royalties. It was not whether a provision for price-fixing undermined rights under estoppel against a licensee. It was whether the licensor could show the special dispensation pertaining to the holder of a valid patent, which entitles him to fix the price of a commodity manufactured under his patent, although such a pricing agreement would be unenforceable in the generality of cases. What was sought and what was denied in *Sola* was the active benefit of a price-fixing clause.

(8) In the cases before us price-fixing is not in issue.[4] We are not asked to allow the licensor to have the benefit

[4] "In the instant case the court has not been requested either directly or indirectly to require MacGregor to maintain Westinghouse prices. By his own testimony he has not maintained them. The price-fixing clause is not in issue. It is raised merely as a defense to a suit for accounting and payment of accrued royalties." Discussion of findings by trial court in the *MacGregor* case.

As to the *Katzinger* case the District Court opinion found that "no price fixing by the respondent has been proved by the petitioner. . . . At no time did the respondent attempt to carry it out

of a practice available only under a valid patent. To grant relief here will not, unlike the *Sola* case, approve a practice *prima facie* in restraint of trade. What we here have to decide is whether we shall allow the licensee to repudiate an agreement for the payment of money made in an arm's length transaction. For nearly a hundred years this Court has uniformly answered that question by using the legal shorthand of estoppel.

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and the respondent was at all times willing to have same removed from the contract." Further, a specific finding of fact was that "Respondent was always willing to eliminate the price fixing provisions of the license agreement, and these provisions terminated *ipso facto* upon termination of the license by petitioner." It was on the basis of the facts so found by the District Court that the Circuit Court of Appeals held, when the estoppel issue was before it, that the mere presence of a price-fixing clause in the licensing agreement, whatever its setting and however inoperative, precluded estoppel against the licensee. 139 F. 2d 291. With the estoppel issue thus eliminated, the case was returned to the District Court to pass on the validity of the patent. Inasmuch as the Circuit Court of Appeals had found that the District Court had erred in its decree enforcing estoppel, the previous findings regarding estoppel became irrelevant and fell with the reversed decree. These findings, however, did not cease to be part of the record before the Circuit Court of Appeals on the first appeal. It is that decision, with the record on which it is based, that is now before us. If the Circuit Court of Appeals had enforced estoppel, the decree of the District Court and the findings on which it is based would not have been vacated. The findings that were before the Circuit Court of Appeals on the first appeal are now before us on review of that court's decision.

The license agreement provided for royalties based on a percentage of the net sales. The amount of the net sales was not fixed by agreement except insofar as certain scheduled articles called for a minimum price. The record does not show the prices at which the sales were made. Not only that, the claim of the licensee was that the articles for which royalties were claimed were outside the license. Plainly such articles were not included on the minimum price schedule and could not have been sold according to the scheduled price list. The claim for royalties, therefore, was not a claim for royalties at fixed prices.

(9) But if all the cases which have recognized and applied the doctrine of estoppel have been reduced, as apparently they have been, to derelicts, they should not be allowed to remain as obstructions on the stream of law. And not merely out of regard for the proper administration of law. The matter has practical consequences for all whose concern is patents. It is not questioned that a price-fixing clause in a license to manufacture under a valid patent falls outside the interdict of the anti-trust acts. *Bement* v. *National Harrow Co.*, 186 U. S. 70.[5] The power to fix the price of patented articles is part of the patent grant. It is a mode of maintaining the integrity of a patent and as such is sanctioned by public policy. All that the *Sola* case held, and the only thing it held, was that a valid patent is indispensable to this right to fix prices.

But whether an inventor has a valid patent is a matter of increasing uncertainty. Hitherto, under the estoppel doctrine, a patentee could be assured that he would not have to litigate the validity of his patent with those to whom he grants license rights under it. Under the present decision, he cannot have this assurance of freedom from litigation if, under reasonable belief that he has a valid patent, he inserts a price-fixing clause in the license, even though afterwards he merely asks for royalties.

What matters is not merely that a patentee must now choose between two safeguards of his patent grant. In the *Sola* case the licensor asked for the enforcement of a pricing agreement. Here the price-fixing agreement is

[5] Upon full consideration the principle of the *Bement* case was reaffirmed and applied in *United States* v. *General Electric Co.*, 272 U. S. 476. The latter case in turn was cited with approval in *Carbice Corp.* v. *American Patents Corp.*, 283 U. S. 27, 31. It is relevant to note that Mr. Justice Brandeis joined in the *General Electric* opinion and himself wrote the *Carbice* opinion. No member of this Court has been more resourcefully alert to protect the public interest from undue extension of the patent monopoly while at the same time observing the rights which Congress has seen fit to confer by the patent grant.

not brought into question and the patentee stands on his estoppel. This important difference is disregarded, the *Sola* case is deemed controlling, and the estoppel is left to fend for itself as a legal stray. By its silence, as by its reasoning in applying the *Sola* case, the decision will engender natural doubts as to the continuing validity of the estoppel doctrine even in those cases where no pricing agreement had ever existed. The result is that all future arrangements between licensor and licensee are overhung by a cloud of doubt as to what one who believes that he holds a valid patent should do in granting licenses under it.

If he insists on a price agreement to help maintain the integrity of his business, he runs the risk of losing his royalties since the mere existence of the price-fixing clause (which is all we have here) may find him entirely in the cold if it should turn out that the patent is not sustained. So long as the estoppel doctrine as such stands unrejected, the patentee may, therefore, prefer to forgo price-fixing and be satisfied with the bird in the hand in reliance on estoppel. But the upshot of the present decision is that the Court creates an unfair uncertainty as to the continued vitality of the historic estoppel doctrine. The result is that the patentee who forgoes his right to maintain prices in order to make certain that he can at least collect his patent royalties without the cost and uncertainty of litigation, may find himself caught in the optimism of his belief as to the vitality of the estoppel doctrine unembarrassed by any price-fixing provision. For he may have given up what he might otherwise assert as a patentee to make sure that he can in any event have what estoppel would give him. It would seem fair to pronounce now that the doctrine of estoppel has or has not survived so that those who deem themselves holders of patent rights might not suffer because they assumed that the Court would preserve that which by no intimation it purports to jettison.

(10) The problem before the Court can be treated as though it was the same as that in the *Sola* case only if a distinction with a difference makes no difference. It is one thing to refuse to enforce a contract restraining trade by price fixing unless positive justification is shown in the form of a valid patent. It is quite another to use the excuse of an inoperative price-fixing clause to allow a licensee to escape his otherwise valid promise to pay royalties.[6] Nowhere in the *Sola* case did the Court intimate that the decision rested upon the importance to the public economy of allowing challenge to the validity of a patent by those particular members of the public who in a fair bargain had agreed not to do so. In fact, the doctrine of estoppel, flowing from *Kinsman* v. *Parkhurst* and applied in *United States* v. *Harvey Steel Co.*, was explicitly noted only to be put to one side because "here a different question is presented." 317 U. S. at 175. It was again put aside in *Altvater* v. *Freeman*, 319 U. S. 359, 364.[7] The question which those cases did not have to meet should now be met otherwise than by disregard. The Court's essential reasoning would apply equally where the license never attempted to fix prices. If a doctrine that was vital law for more than ninety years will be found to have now been deprived of life, we ought at least to give it decent public burial.

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[6] The considerations that determine the granting of a license on payment of royalties are distinct from those that underlie an additional clause for price-fixing. They are not interdependent in fact and were not so treated by the parties; no artificial notion regarding consideration requires that they be treated as interdependent. On lesser considerations of policy than have guided the course of patent law, this Court has refused to treat separate provisions of a contract as integrated. See *Philadelphia, Wilmington & Baltimore Railroad Co.* v. *Howard*, 13 How. 307, 339; *Pollak* v. *Brush Electric Association*, 128 U. S. 446, 455.

[7] *Scott Paper Co.* v. *Marcalus Co.*, 326 U. S. 249, went on the ground that an earlier expired patent had put the device in question into the public domain.